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To: The Burlington City Council  
From: Frank Cioffi, President, GBIC

The basing of the F-35 in Vermont is a critical issue for the region and has the support of the vast majority of Vermonters. We have done extensive research on all aspects of the benefits and potential impacts to the region. The City of Burlington is already on record with concerns and observations about the basing of the F-35, detailed in a resolution that was properly submitted during the public comment period for the EIS process. Appendix E of the Final EIS has fully addressed all the concerns raised by the public during the EIS comment period. Any resolution at this time opposing the basing of the F-35 in Vermont would put at grave risk the benefits that the City of Burlington derives from the Vermont Air National Guard (VTANG). We respectfully encourage any such resolution be defeated.

We have carefully reviewed noise, legal, safety, economic, and housing issues that have been raised and we summarize with the following. For more details, please see the packet provided.

1. **NOISE:** By law, the Record of Decision will include mitigation steps that would need to be undertaken for the F-35A operations in order to address concerns raised during the public comment period. For instance, mitigation requirements limiting the use of afterburners during take-off would significantly reduce the noise impacts of the F-35A when compared to current operation of the F-16. VTANG operations account for only 5% of the total traffic coming out of the airport today.
2. **LEGAL:** The City of Burlington cannot legally prevent military aircraft from using the Burlington International Airport or any other public airport in the United States. Burlington International Airport was built in part by federal funds, operates in part from federal funds, and cannot prohibit military aircraft use.
3. **SAFETY:** The F-16 arrived to Vermont in 1986 and over the past 27 years there has never been an F-16 "Class A" mishap in Vermont. The EIS states "as the F-35A becomes more operationally mature, the aircraft mishap rate is expected to become comparable with a similarly sized aircraft with a similar mission" (i.e. the F-16). 78 F-35s have flown more than 10,000 hours at six different bases in the U.S. since the first F-35 flight occurred on 15 Dec 2006. To date, the "Class A" mishap rate is 0.0 since there have been ZERO Class A mishaps of the F-35. The F-35 would not arrive until the year 2020; another 7 years of actual flying—for a total of 14 years of flight operations before being based in Vermont.
4. **ECONOMICS:** The Vermont Air National Guard employees 400 full-time and 700 part-time with an annual Payroll of \$53M annually. Airport fire & rescue services supplied to Burlington International Airport are \$2.8 M annually (14% of the Airport Budget) and would cost over \$12 M to replace.
5. **HOUSING:** Home values over the past 10 years have not been adversely impacted. Real estate values in the 65 DNL area have maintained value correspondent with overall value in Chittenden County.

Frank Cioffi

*Frank Cioffi*  
President, GBIC

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## **Basing in Vermont:**

The Air Force selected Burlington AGS as one of two preferred alternative locations. The Final EIS states, "The Air Force determined that these alternative locations best fulfill its mission responsibilities as presented in the purpose and need." When the Air Force is analyzing basing decisions such as this, it looks at the following 5 criteria to determine where to base aircraft/missions:

1. Mission
2. Cost
3. Capacity
4. Military Judgment
5. Environmental

## **What a Delay in Basing Means:**

Delaying the basing decision beyond the current scope of this EIS (2015-2020) would jeopardize the future of the Vermont Air National Guard (VTANG). First of all, there are no guarantees the 158th Fighter Wing would be considered in future F-35 basing decisions beyond 2020. The VTANG's F-16s will be retired in the next 6-8 years; beyond that, VTANG's flying mission is at grave risk without the F-35.

There has been no identified follow-on mission for the VTANG other than the F-35. VTANG cannot determine whatever mission / aircraft it wants. It is entirely a decision of the Air Force. The F-16s currently flying will be retired in 6-8 years (i.e. the 2019-2021), which is exactly in line with the timeframe the VTANG expects to receive the F-35.

## **Safety:**

- The VTANG has an exemplary track record of safely operating military aircraft out of Burlington International Airport for the past 67 years. The VTANG has never had a Class A mishap at the Burlington Airport while flying the F-16 for the past 27 years.
- There are currently 78 F-35s flying at 6 different bases in the United States right now. The F-35 has flown over 10,000 hours and will have an estimated 750,000 hours by the expected arrival time in Burlington, in year 2020. The F-16 aircraft had an estimated

830,000 hours when it arrived at the VTANG. It is important to note that the VTANG received its F-16s 12 years after its first flight (first F-16A flight in Dec 1974, arrived at VTANG in 1986) and, if selected, the VTANG estimates its first F-35 arrival in 2020, 14 years after its first flight.

- Composites are the future of aviation; they are safer, stronger, lighter, and more fuel efficient when used in airframe construction. Many of the civilian aircraft flying into and out of Burlington right now have portions of the airframe that are composite materials. Most of the new civilian airframes being built right now are being constructed entirely from composites (reference the new Boeing 787, Learjet-85, or Bombardier C Series Commuter aircraft). Composites exist in our current F-16 and, yes, they do make up portions of the F-35 as well.
- Composites are a legitimate concern in any type of aircraft mishap. Many commercial airliners that fly into and out of Burlington International Airport on a daily basis contain composite materials in their structures as well, such as the Bombardier Commercial Regional Jet (CRJ) family, Embraer CRJ family, and many turbo-prop aircraft. 90 percent of the flight operations into and out of Burlington Airport are from the civilian sector (Commercial and General Aviation). VTANG makes up only 5% of the flight operations at the Burlington Airport. The other 5% is in the miscellaneous category (helicopters, military transients, etc.).
- The VTANG Crash, Fire, and Rescue department is trained to handle any aircraft incident, whether civilian or military, at the Burlington International Airport. The department members are among the best trained fire-fighting personnel in the country. The F-16 currently contains composite materials and the VTANG fire fighters are well trained in the latest techniques and supplied with the latest equipment to fight any fire emanating from an aircraft of composite materials, including the F-35.
- Both the United States Air Force and the VTANG have robust safety programs. If you look at the safety record of the USAF over the years, it is constantly improving over time. If you look at the facts in the Final EIS as they apply to the VTANG and flying operations out of the Burlington Airport, the VTANG is the safest and least likely operator to have an incident involving an aircraft crash at the airport, regardless of whether VTANG is flying the F-16 or the F-35.
- The minimum runway length for the F-16 is 8,000 feet. The minimum runway length for the F-35 is 8,000 feet.

### **Noise and Health:**

- There are currently 242 households and 583 people living inside the 75 dB DNL now. The F-35 will bring a net change of 10 *people* under Scenario 1 (i.e., 18 F-35s replacing 18 F-16s, which is the most likely scenario). The VTANG is not aware of any hearing loss, cardiovascular or cognitive impairment issues for anyone in those areas attributed to



noise. The 2011 WHO Noise Report titled “Burden of Disease from Environmental Noise” references “chronic noise” from major commercial airports in Europe where takeoffs and landings are occurring at all hours of the day *and night*. The VTANG typically flies 4 days per week with 6 takeoffs/landings in the morning after 8:30 a.m and another 6 takeoffs/landings in the afternoon. Consequently, unlike the subjects in the WHO Noise Report, residents around the Burlington Airport are not exposed to chronic noise from military aircraft and certainly not the noise that would interrupt their sleep at night.

- The F-35 will operate 2613 times fewer than the F-16 per year under scenario 1.
- Schools with children on the list within the noise study area are the Chamberlin School, Bellwether School and Family Center, and St Francis Xavier School. Chamberlin Schools actually sees a reduction in noise (70 DNL down to 67 DNL) if the F-35 replaces the F-16. Bellwether School remains outside of the 65 DNL. St Francis Xavier School experiences an increase in noise from 65 DNL to 67 DNL. An increase of 3 dB or less is imperceptible to the human ear.
- There is no scientific basis for a claim that potential health effects exist for aircraft time-average sound levels below 75 dB.
- Once the F-35A is operating at the selected base(s), the pilots will have either consistently flown the operational profiles defined in this EIS or modified them to accommodate the unique qualities of the F-35A. At that time, the Air Force proposes to acquire actual F-35A acoustical data to validate the estimated impacts in an appropriate noise study under AICUZ (Air Installation Compatible Use Zone). Furthermore, the Air Force commits to working with the affected communities per the AICUZ guidelines.
- The VTANG has already identified multiple effective noise mitigation procedures (preferred runway operations, reduced power climbout procedures, modifying departure and recovery groundtracks, raising pattern altitudes, etc) that could be utilized in the local area to reduce the effects of noise on the surrounding community. VTANG has consistently demonstrated the ability to work with the community on Noise Mitigation efforts in the past (most recently, working with the Winooski High School and Mayor of Winooski, VTANG modified the inside downwind groundtrack to reduce noise impacts during school hours). VTANG would continue noise mitigation practices in the future with the basing of the F-35A here in Burlington.

### **Legal Liability:**

- F-35 opponents have not identified any legal authority to suggest that the City of Burlington would be subject to new liability by the bed down of the F-35A when compared to the liability already assumed by the City as proprietor of the Airport over the last several decades.

- F-35 opponents also have no legal support for their claim that a landlord can be held liable for damage caused by a tenant off-premises. Just as there is no legal authority holding a residential landlord liable if a tenant drives away from the rented premises and is involved in an off-premises vehicular collision, the opponents have provided no case law suggesting that the municipal owner of an airport can be held liable for a plane crash beyond the perimeter of the airport due solely to its status as the proprietor of the airport. See Downs Rachlin Martin (law firm) memo to Burlington City Council of 9-19-13.
- If there is new liability, it would be the loss at the Airport if the Vermont Air National Guard's fire and rescue services terminate because the Vermont Air National Guard loses its flying mission. This alone would cost the City of Burlington more than \$12 million in the first year to replace and at least \$2.8 million per year thereafter.

### **Real Estate Values:**

- Analysis shows that home values within the 65 DNL area have followed and reflected the overall trend of the County and of the real estate markets outside of the 65 DNL area.
- Home values over the past 10 years have not been adversely impacted. Real estate values in the 65 DNL have maintained value correspondent with overall value in Chittenden County.
- Home values over the past decade within the 65 DNL were not impacted by extrinsic economic factors (recession) at a greater rate than those homes outside of the area. In the case of South Burlington, the values within the 65 DNL line appear to be mildly counter-recessionary (continued to increase in sale value while the County market stagnated). Recent condominium sales in Winooski within the 65 DNL also proved to sell at higher values than seen elsewhere in the City and in the County.
- Continued development and redevelopment of areas within the 65 DNL area is a direct function of market opportunities; however, the recent redevelopment of Winooski's downtown, along with the development and sales of the condominiums at Winooski Falls, indicates a strong appetite for investment and growth within the currently affected area.
- The FHA mortgage guarantee program is operational within the 65 DNL area, both historically and with recent construction. In the current market, the most recent example is that the Winooski Falls development was fully FHA approved in 2010. With respect to the draft EIS, the comment from Housing and Urban Development (HUD) reads: "the availability of federal loans will not be directly affected by the location of the 65 DNL line."
- The Airport's home buy-back program (currently in effect in portions of South Burlington) is a completely separate process from this basing decision. It is run by the FAA, not the military. The program is voluntary and is subject to federal funds being available, as well as the property being located within the Airport's Noise Compatibility

Program (which must be approved by the Burlington City Council). The Airport has stated that it has no intention of altering the existing Noise Compatibility Program in regard to future home purchases.

- South Burlington initiated Interim Zoning to try and slow the housing growth in South Burlington. Real Estate is highly valued in South Burlington and has not been impacted by Airport traffic.
- The homes of 8,600 working class and moderate income persons being referred to as being in a “not compatible for residential use” area is taken out of context from the EIS. It is being used by the anti F-35/anti-war contingent as a scare tactic in an attempt to unduly influence the basing process. Residents of Winooski and South Burlington have lived prosperously within the 65 DNL line for decades both under current F-16s noise contours (1986-present) and previous F-4 noise contours (1982-1986). Interesting to note that the F-4 65 DNL line was twice as large as the F-35 65 DNL line.

## Economics:

### F-35 Benefits:

1. The F-35A continues a proud 67 year tradition of VTANG.
  2. The retention of 1100 employees is a massive economic benefit to the state, the county and area businesses .
  3. This investment would show an unprecedented level of support and confidence in VTANG.
  4. The new fleet of F-35s would secure the future of VTANG for the next 4-5 decades
  5. The F-35A is primarily a defensive unit, designed to enhance the capabilities of other planes
- Air National Guard employees – 400 full-time & 700 part-time
  - Payroll - **\$53M annually**
  - 616 members of the Vermont National Guard call the areas around the Burlington International Airport home.
    - 142 live in Burlington, 99 live in Colchester, 183 live in Essex Junction, 93 live in South Burlington, 44 live in Williston, and 44 live in Winooski. VTANG families are impacted by the same levels of commercial, civilian, and military aircraft as everyone else living in the areas surrounding the Burlington International Airport.
  - Airport fire & rescue services supplied to BTV: **\$2.8 M annually (14% of the Airport Budget). If VTANG is forced to terminate these services, it would cost City of Burlington taxpayers at least \$12 M to replace the facilities and equipment.**
  - Drill Weekends (one weekend per month): **\$27,000 per drill weekend** (hotel, food, services contract)
    - \$325,000 per year
  - Mission Training Center
    - 8 – 10 pilots, 2 – 3 weeks per month

- \$50,000 per month in airfare, hotels, per diem, rental cars
- 6 active duty members are community based in Handy Suites in Essex Junction, 8 live in the local area rental properties with an additional 42 planned over the next 2 year.

The following is information from Lockheed Martin on additional jobs supported and payroll impact to New England states assuming that they do a full build out of the F-35:

State	Supplier Locations	Direct Jobs	Indirect Jobs	Direct Dollars	Indirect Dollars
Maine	2	75	211	\$10,783,200	\$11,861,520
Massachusetts	50	275	785	\$33,885,268	\$37,273,819
New Hampshire	23	961	2698	\$154,511,045	\$169,962,161
New York	59	970	2734	\$133,995,530	\$147,395,112
Vermont	3	173	485	\$24,747,374	\$27,222,114

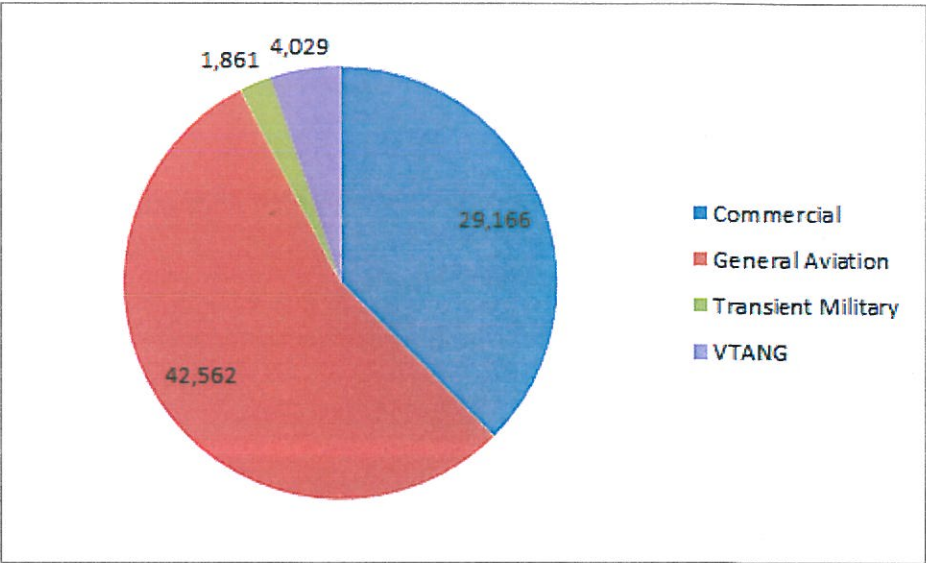
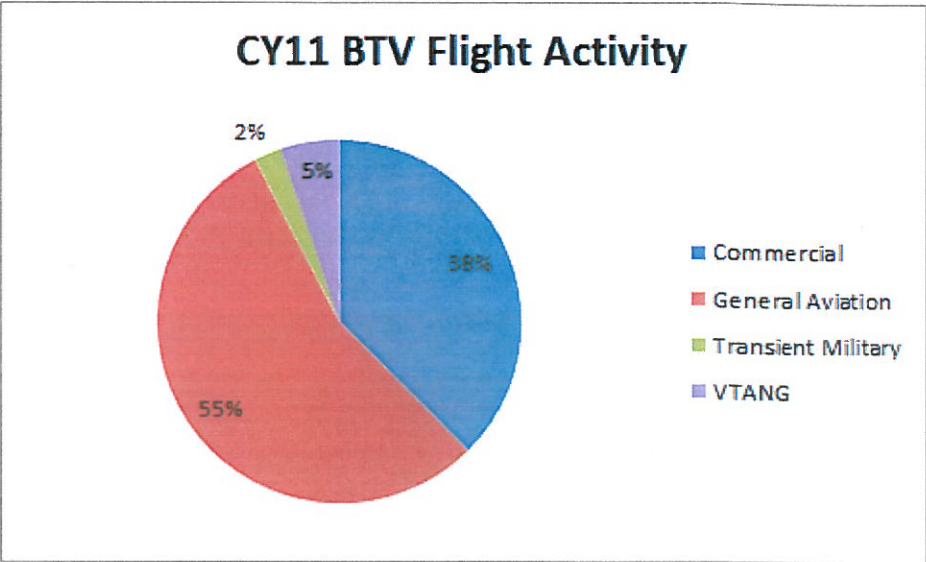
The Final EIS at page BR4-78 states that under ANG Scenario 1 (18 F-35s replacing 18 F-16s), which is the most likely scenario, “there would be no net change in the number of military personnel . . . Therefore, there would be no change to military payrolls of any subsequent impacts to regional employment or income.” No change in the size of the VTANG continues an existing positive economic impact on Chittenden County and the State of Vermont. The risk is an uncertain future if the F-35 is not based in Vermont, resulting in a loss of significant economic activity and jobs. There are about 1100 military jobs (400 full-time, 700 part-time) and a \$53M annual payroll.

To put this into perspective, the basing of the F-35 at the VTANG would guarantee the VTANG’s existence and positive economic impact for the next 40-50 years. Additionally, the VTANG Fire, Crash, and Rescue Dept., which solely exists because there is a flying mission at the VTANG, is responsible for all (civilian and military) incidents that occur at the Burlington Airport. The annual service and operating costs for this total \$2.9M. The fire trucks and equipment is approximately another \$2.8M. The building is \$6.5M. If the VTANG were to lose their flying mission, these services would cease to exist and the City of Burlington/Airport would be responsible for picking up these costs.

Nowhere in the Final EIS does it state the Air Force has a planned follow-on flying mission for the VTANG other than the F-35. The “no action alternative” states the mission would continue as long as the F-16s can still fly. The bottom line is the VTANG’s F-16s are scheduled to retire in 6-8 years and the only option the Air Force has identified to date for a possible follow-on mission for the VTANG is the F-35. There are no current plans for any type of service life extension on the F-16s flying in Vermont.

**CY 11 Flight Activity at Burlington International Airport:**

- General Aviation: 55%
- Commercial: 38%
- Transient Military: 2%
- VTANG: 5%





## **Public and Political Support:**

Senator Leahy, Senator Sanders, Representative Welch, Governor Shumlin, Lt. Gov. Phil Scott and Mayor Weinberger all support the basing of the F-35 in Vermont.

There were a total of 11,158 comments received by the public. 9,820 of them were in support of which 9,655 were postcards) and 1,338 were in opposition. Additionally, there was a second petition that was submitted with an additional 2,460 people advocating their support for basing the F-35 at Burlington AGS with no petition submitted from any opponents. The Air Force received over 18,000 petition names in support of the basing of the F-35.

Over 8000 people support a Green Ribbons for the F-35 social media page in support of the basing of the F-35. The page is viewed by over 30,000 people on a regular basis.

Over 10,000 green ribbons and decals in support of the F-35 have been requested and distributed.

Resolutions in favor of the basing of the F-35

Milton

Shelburne

Colchester

Essex Town

Essex Village

South Burlington

## MEMORANDUM

TO: Burlington City Council

FROM: Dale A. Rocheleau, Esq. and Christopher D. Roy, Esq.  
Downs Rachlin Martin PLLC

DATE: September 19, 2013

RE: F-35s – the Role of the Burlington City Council

We are writing to you on behalf of the Greater Burlington Industrial Corporation (“GBIC”), Vermont’s certified non-profit economic development corporation for Chittenden County. We are submitting this Memorandum to the Burlington City Council (the “City Council”) in order to refute various arguments advanced by James A. Dumont, Esq. in his memorandum to you dated August 12, 2013 (the “August 12 Memo”).

As you know, Mr. Dumont represents the opponents of the United States Government’s selection of the Burlington International Airport (the “Airport”) as one of the preferred sites for future bed-down of the F-35A fighter jet. Our research demonstrates that the assertions in Mr. Dumont’s August 12 Memo are categorically wrong with respect to the facts and the law. Moreover, if the City Council were to follow Mr. Dumont’s advice and cause the Airport to scuttle the ongoing effort to renew the Joint Use Agreement with the United States Air Force (“USAF”), the Airport would lose the tremendous economic benefits that the City of Burlington (the “City”) has enjoyed under the previous agreement. Furthermore, a failure to renew the Joint Use Agreement would not have any impact whatsoever on the right of the United States Government to continue to use the Airport for military operations.

1. **The August 12 Memo incorrectly states that the City May Be the Sole Defendant for Damage Claims**

The August 12 Memo asserts that the City of Burlington may be solely liable for damages caused by Airport tenants and shared uses, and further suggests that the bed-down of the F-35A would expand the scope of the City’s liability as proprietor of the Airport. This is not a fair statement of the law or the situation.

As a threshold matter, it is undisputed that, as proprietor of the Airport, the City is already potentially liable for damages to neighbors and the public if harm were to be caused by certain types of Airport operations or conditions. This has been the case throughout the Airport’s existence.<sup>1</sup> The more pertinent inquiry is whether the bed-down of the F-35A would expand the scope of that potential liability to any substantial degree.

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<sup>1</sup> Mr. Dumont has provided no legal support, however, for a claim that a landlord can be held liable for damage caused off-premises by a tenant. Just as there is no legal authority holding a residential landlord liable if a tenant drives away from the rented premises and is involved in an off-premises vehicular collision, Mr. Dumont has provided no legal precedent suggesting that the municipal owner of an airport can be held liable for a plane crash beyond the perimeter of the airport due solely to its status as the proprietor of the airport.

The City is the owner of the land on which the Airport is located, as well as the land where the Vermont Air National Guard ("Air Guard") Base is situated. The City currently leases the land for the Air Guard Base to the United States Government pursuant to a Land Lease dated June 17, 1974, which has been amended and extended on several occasions (the "Lease"). The most recent supplement to the Lease is dated March 26, 2012, and the current term of the Lease extends through June 30, 2048. The United States Government has, in turn, entered into a License Agreement allowing the Air Guard to occupy and use the Air Guard Base.

The Lease provides for nominal rent of one dollar. *See Lease* at ¶ 4. The Lease contemplates, however, that the City will enter into a separate agreement regarding maintenance and operation of the Airport. *See Lease* at ¶ 5. A Joint Use Agreement ("Joint Use Agreement") was accordingly entered into by the City and the United States Government for a five-year term starting July 1, 2008 with respect to joint use of the Airport. That agreement expired on June 30, 2013. A successor agreement is currently being negotiated. The benefits conferred to the City under the most recent agreement, both monetary and in the form of fire protection and crash rescue at the Airport, are reportedly valued at over \$2 million per year.

As explained below, the United States Government and the Air Guard do not need a lease of the Airport facilities, such as the runways, to be able to use the Airport for the F-35A. Under the Airways Development Act, 49 U.S.C. §§ 47101-47129, the United States Government is entitled to make use of the Airport for no charge since its facilities were developed with federal financial assistance. Such use currently happens when military aircraft utilize the Airport for training exercises despite being based elsewhere in the United States. If the use is substantial, however, the United States Government may be charged a reasonable share, proportionate to the use, of the cost of operating and maintaining the facilities used. *See Joint Use Agreement* at Recitals ¶ B. By all reports, the benefits conferred under the Joint Use Agreement far exceed this proportionate cost. Thus, even if the City were to abandon the Joint Use Agreement, it would not impact the right of military aircraft to use the Airport, but would reduce the benefits conferred to the City from the most recent agreement.

Another benefit of the Joint Use Agreement is its provision respecting liability. Section 12(a) of the Joint Use Agreement provides as follows:

Liability. Except as otherwise provided in this Agreement, neither party shall be liable for damages to property or injuries to persons arising from acts of the other in the use of the jointly Used Flying Facilities or occurring as a consequence of the performance of responsibilities under this Agreement.

The Lease does not include an equivalent provision.

Importantly, this is not a case where the Airport is building a new runway that extends into new territory, thereby creating wholly new impacts that were not previously experienced. Nor is this a case where the type and intensity of aircraft using the Airport is changing significantly (e.g., the introduction of military aircraft, the introduction of jets, etc.). Instead, the scope of the City's potential liability must be understood within the context that the Airport has

operated for many decades with a varied mix of civilian and military aircraft making use of the facility. The size, characteristics and number of aircraft – both civilian and military – using the Airport in its current configuration have changed throughout history and such changes are expected to continue as technology evolves.

Finally, the potential for expanded liability due to noise from the F-35A cannot be evaluated until the Record of Decision is released along with a final Environmental Impact Statement. By law, the Record of Decision will include mitigation steps that would need to be undertaken for F-35A operations in order to address concerns raised during the public comment period. For instance, mitigation requirements limiting the use of afterburners during take-off would significantly reduce the noise impacts of the F-35A when compared to current operation of the F-16.

Thus, Mr. Dumont has not identified any new or significant liability to the City that would be implicated by bed-down of the F-35A at the Airport when compared to the liability already assumed by the City as proprietor of the Airport over the last several decades.

**2. The August 12 Memo wrongly states the City “lease” to the Air Force has probably expired.**

The August 12 Memo asserts that the City entered into an airport lease with the Air Force for a term that exceeds the statutory limit of 20 years and therefore it has “probably expired.” It assumes that this creates an opportunity to renegotiate. This claim is wholly without merit.

The 20-year limit for leases relating to municipal airports found at 5 V.S.A. § 601 is simply inapplicable. As noted above, the Lease between the City and the United States Government relates solely to the Air Guard Base. Since the premises being leased are neither an “airport,” a “landing field,” or an “air navigation facility,” then the 20-year limit on lease terms does not apply. *See* 5 V.S.A. §§ 202(10), 202(11) (definitions). Thus, the current Lease term through June 30, 2048 is valid and enforceable, and not open to unilateral renegotiation by the City.

As for the Joint Use Agreement, as noted above, the benefits conferred on the City thereunder are substantially greater than what would otherwise be owed to the City by operation of federal statute. The language of the Joint Use Agreement is standardized and generally used by the United States Government with reference to all airports hosting an air base. It can be anticipated that the United States Government will not vary from these standardized terms in order to treat the Airport differently than other installations around the country. Meanwhile, abandoning the Joint Use Agreement would not affect the availability of the Airport for use by military and other government aircraft.

3. **The August 12 Memo suggests that the City voluntarily submit to Act 250 Jurisdiction with respect to the F-35A.**

The August 12 Memo suggests the City Council, under the Charter, is responsible for the Airport and therefore has the right to decide whether to submit the Air Guard Base to Act 250 jurisdiction. Not only has Mr. Dumont's position been rejected in a Jurisdictional Opinion issued earlier this year, but it ignores how Act 250 jurisdiction over the Airport interfaces with the Air Guard Base.

All development work contemplated by a potential bed-down would occur inside existing building entirely within the perimeter of the Air Guard Base. No physical changes are contemplated with respect to the Airport facilities. On March 21, 2013, the District Coordinator for the District Environmental Commission concluded that the federal purpose of, and federal control over, the potential bed-down of the F-35A meant that Act 250 jurisdiction did not apply. This reaffirmed the Vermont Environmental Board's ruling in 1982 relating to the prior bed-down of the F-4D aircraft at the Air Guard Base. Mr. Dumont has not identified any legal authority supporting the proposition that the City, as the Air Guard Base's landlord, could unilaterally force the United States Government to submit to Act 250 jurisdiction when it would not otherwise apply.

It is important to emphasize that the potential bed-down does not contemplate any physical changes to the Airport facility. Every Act 250 permit and amendment secured by the City for the Airport involved physical changes to the Airport facility itself.<sup>2</sup> Again, Mr. Dumont has not identified any legal support for the proposition that Act 250 could assume jurisdiction at the unilateral request of the City Council when no physical changes are contemplated at the Airport.

4. **The August 12 Memo incorrectly suggests that City Council actions to regulate Federal activities at the Airport are not subject to "federal preemption."**

The August 12 Memo states that the City Council's actions are exempt from federal preemption with respect to proprietary activities at the Airport. While that proposition may be true, it is not relevant.

The United States and Vermont Supreme Courts have both recognized the broad preemption of federal laws over matters affecting aviation – e.g., the timing, number, frequency and scheduling of flights, aircraft noise, flight paths, operation of aircraft, takeoffs and landings, and the type of aircraft. *See City of Burbank v. Lockheed Air Terminal, Inc.*, 411 U.S. 624 (1973), and *In re Commercial Airfield*, 170 Vt. 595 (2000) (mem.). *See also Re: City of Burlington/Burlington Int'l Airport*, #4C0331-9 (Revised), Findings of Fact, Conclusions of Law, and Order at 9 (Dist. #4 Env'tl Comm'n June 26, 1997) (recognizing this broad scope of federal preemption relating to aviation with respect to the Airport).

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<sup>2</sup> Nor can it fairly be claimed that the potential bed-down would involve a substantial change in use of the Airport. The Airport has been used by various civilian and military aircraft for decades, with the types, characteristics, and number of aircraft varying over time.



As landlord and proprietor, the City may be able impose some operational restrictions on users at its municipally-owned Airport. Any such authority, however, is severely constrained by the federal Airways Development Act and its guarantee that the United States Government have access to use the Airport. Moreover, any proprietary restriction on one user at the Airport would have to be applied equally to all users – i.e., the Air Guard could not be singled out for disparate treatment. Finally, as discussed above, proprietary acts or decisions by the City Council cannot create Act 250 or other jurisdiction in circumstances where it would not otherwise exist.

\* \* \*

Mr. Dumont and his client have failed to identify any new or substantial liability for the City if the F-35A bed-down were to occur when compared to its current liability as proprietor of an airport used by numerous civil and military aircraft. In contrast, if the City Council decided to take unilateral actions to breach the existing Lease, to abandon the arrangements contemplated by the Joint Use Agreement, or to unilaterally seek Act 250 jurisdiction over the United States Government's activities, there is potential for financial harm to the City and the Airport that would be new and substantial.

In the final analysis, GBIC is concerned that any effort to undermine the existing operational and financial arrangements with the United States Government and the Air Guard would put the continued operation of the Airport at financial risk. Since the Airport is indisputably critical to the economic well-being of the region, such an outcome would be catastrophic – not only to the residents of the City, but to the entire region. Therefore, GBIC urges the City Council to reject Mr. Dumont's invitation to take the City and the Airport down a course rife with danger.

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## BULLET BACKGROUND PAPER

### ON

#### F-16 / F-35 OPERATIONAL EIS SAFETY STATISTICS / COMPARISONS AT BIAP

##### **PURPOSE:**

Provide a contextual analysis of the flight safety information that is reported in the F-35 Operational EIS as it pertains to the proposed basing of the F-35 at the 158 FW, Burlington International Airport (BIAP), based on national mishap / accident rates and historical data.

##### **BACKGROUND:**

###### - USAF Class A Mishap Definition:

- Aircraft damage resulting from flight, or flight related ground operations totaling \$1M or more (changed to \$2M in Oct 2009) OR
- Any fatality OR
- Permanent disability OR
- Destruction of aircraft

\*\*\*CRITICAL to note that a Class A Mishap does not equate to an "aircraft crash"...see examples below\*\*\*

- Example 1: F-22 ingests a bird down engine and recovers safely to home base...damages to F-22 totals more than \$1M (flight related Class A Mishap)
  - Example 2: F-16 taxis into parked aircraft on ramp...damages total more than \$1M (flight related ground operation Class A Mishap)
  - Example 3: F-22 sustains \$2.2M damage to engine (flight related Class A Mishap), recovers safely to home base
- ###### - NTSB Accident Severity Classifications:
- Major: Aircraft destroyed or multiple fatalities or 1 fatality and substantial damage
  - Serious: Single fatality without substantial damage to aircraft or at least 1 serious injury and the aircraft was substantially damaged
  - Injury: Non-fatal accident with at least one serious injury without substantial damage to aircraft
  - Damage: No person was killed or injured, but the aircraft was substantially damage
- ###### - BIAP Flight Activity 10 year average (1994-2003):
- General Aviation: 48.3% of flight operations at airfield (54,056 flight operations/yr)
    - National Accident rate as reported by NTSB (2001-2010) = 6.71 / 100,000 ft hrs
  - Commercial Aircraft: 41.6% of flight operations at airfield (46,548 flight operations/yr)

- Commercial aircraft include both Part 121 (airlines) and Part 135 (smaller commuter) aircraft
- National Part 121 Accident rate as reported by NTSB (2001-2010) = 0.2 / 100,000 flt hrs
- National Part 135 Accident rate as reported by NTSB (2001-2010) = 1.59 / 100,000 flt hrs
- VTANG F-16s: 4.6% of flight operations at airfield (5,100 flight operations/yr)
  - National F-16 Class A Mishap rate as reported in the Final EIS = 3.55 / 100,000 flt hrs
  - 158<sup>th</sup> FW F-16 Class A Mishap rate (1986-2013) = .926 / 100,000 flt hrs
- Misc: 5.5% of flight operations at airfield (6,176 flight operations/yr)
- Using the above data, one can start to understand the true flight safety concerns based on national rates for both Military Class A Mishaps and Civilian Accident Rates
  - The Poisson Distribution Formula is used to help illustrate this point (supporting documentation and mathematical analysis based on facts is contained in attachment 1)
    - General Aviation is **15.1 times more likely** to have an accident during a one year period than the VTANG
    - Commercial Airlines are **2.3 times more likely** to have an accident during a one year period than the VTANG
    - Using the 158 FW's actual F-16 Class A Mishap Rate of .926/100,000 flight hours over the past 27 years of flying F-16s out of BIAP, then General Aviation is **55.8 times more likely** to have an accident and the Commercial Airlines are **8.5 times more likely** to have an accident as compared to the F-16

## DISCUSSION:

- Page BR4-51 of the Final EIS states "as the F-35A becomes more operationally mature, the aircraft mishap rate is expected to become comparable with a similarly sized aircraft with a similar mission" (i.e. F-16)
  - F-16 lifetime Class A Mishap Rate is 3.55 / 100,000 flight hours across the entire USAF inventory. The 158 FW's Class A mishap rate since flying the F-16 in Vermont dating back to 1986 is .926 / 100,000 flight hours (Class A Mishap occurred at Cape May in New Jersey in 1993).
- Page BR4-51 of the Final EIS also states that "in order to provide a broader perspective on the potential mishap rate for a new technology like the F-35A, the following discussion refers to the mishap rates for the introduction of the F-22A"... "it is possible that the projected mishap rates for the F-35A may be comparable to the historical rates of the F-22A"
  - F-22 Class A Mishap Rates reported in the Draft EIS during timeframe of FY02-FY12
    - 10 x Class A Mishaps reported for 136,315 flight hours = 7.34 mishap rate / 100,000 flt hrs
      - Only 3 of 10 Class A Mishaps were an actual "aircraft crash" = 2.2 "crash" rate / 100,000 flt hrs

---- The remaining 7 x F-22 Class A Mishaps were not aircraft crashes and were either flight or flight related ground mishaps where damage to the aircraft was greater than \$1M (or \$2M post 1 Oct 2009 when the criteria was changed)

- F-35 1<sup>st</sup> flight occurred on 15 Dec 2006
  - F-35s have currently flown over 9000+ hours and there are 78 F-35s currently flying at 6 different bases in the United States (Edwards AFB, CA, Eglin AFB, FL, Nellis AFB, NV, NAS Pax River, MD, MCAS Yuma, AZ)
  - There have been zero F-35 Class A Mishaps...that equates to a 0.0 Class A Mishap Rate during its first seven years of flying both at test locations and operational bases
- If selected by the Chief of Staff of the Air Force and the Secretary of the Air Force as a future F-35 base, the earliest F-35s would arrive to the 158<sup>th</sup> Fighter Wing, Burlington International Airport is Aug of 2020
  - That would equate to 14 years of flight safety / Class A Mishap information that will be available before F-35s arrive to Burlington

## SUMMARY:

Based on the analysis above, NTSB safety data, USAF and ANG safety data, and flight history for BIAP, both the F-35 and the F-16 are *less likely* to have an aircraft crash at Burlington International Airport than a plane from the civilian sector.

The USAF and VTANG have a robust Flight Safety Program that will continue with the basing of the F-35. Flight safety is a culture within an organization that becomes inherent in leadership, maintenance practices, regulatory flight procedures, and flight training rules.

Not all Class A Mishaps result from a “crash” and the goal of any flying safety program is to mitigate risk associated with flying.

## SOURCES:

1. Final F-35 EIS dated September 2013
2. NTSB Review of U.S. Civil Aviation Accidents, Calendar Years 2001-2010;  
<http://www.nts.gov/doclib/reports/2012/ARA1201.pdf>
3. Mr. Gary Snyder (Statistician for IBM Corporation, Essex Junction VT, 33 years of experience)

## DISCLAIMER

This bullet background paper contains the opinions and calculations of the author and is not an official government document.



## ATTACHMENT 1: Poisson Calculations / Supporting Documentation

VTANG F-16			VTANG F-16			General Aviation			Comm Airlines		
Poisson Prob Table for $\lambda = .015$			Poisson Prob Table for $\lambda = .004$			Poisson Prob Table for $\lambda = .302$			Poisson Prob Table for $\lambda = .035$		
X	Prob(x)	Prob( $\leq x$ )	X	Prob(x)	Prob( $\leq x$ )	X	Prob(x)	Prob( $\leq x$ )	X	Prob(x)	Prob( $\leq x$ )
0	0.9851	0.9851	0	0.9960	0.9960	0	0.7393	0.7393	0	0.9656	0.9656
1	0.0148	0.9999	1	0.0040	1.0000	1	0.2233	0.9626	1	0.0338	0.9994
2	0.0001	1.0000	2	0.0000	1.0000	2	0.0337	0.9963	2	0.0006	1.0000
3	0.0000	1.0000	3	0.0000	1.0000	3	0.0034	0.9997	3	0.0000	1.0000
4	0.0000	1.0000	4	0.0000	1.0000	4	0.0003	1.0000	4	0.0000	1.0000
5	0.0000	1.0000	5	0.0000	1.0000	5	0.0000	1.0000	5	0.0000	1.0000
6	0.0000	1.0000	6	0.0000	1.0000	6	0.0000	1.0000	6	0.0000	1.0000
7	0.0000	1.0000	7	0.0000	1.0000	7	0.0000	1.0000	7	0.0000	1.0000
8	0.0000	1.0000	8	0.0000	1.0000	8	0.0000	1.0000	8	0.0000	1.0000
9	0.0000	1.0000	9	0.0000	1.0000	9	0.0000	1.0000	9	0.0000	1.0000
10	0.0000	1.0000	10	0.0000	1.0000	10	0.0000	1.0000	10	0.0000	1.0000

### Assumptions:

1. Flight time in BTV terminal area based on standard departure and arrivals is approx 5 min / operation
2. Computed  $\lambda$  calculation for VTANG based on 3.55 / 100,000 flt hours for 5,100 flight operations averaging 5 mins in terminal area to equate to .015
3. Computed GA  $\lambda$  calculation based on a 6.71 / 100,000 flt hours for 54,056 flight operations averaging 5 mins in terminal area to equate to .302
4. Computed Comm aviation  $\lambda$  calc based on a 0.895 / 100,000 flt hours for 46,548 flight operations averaging 5 mins in terminal area to equate to .035
5. Computed  $\lambda$  calculation for VTANG based on .926 / 100,000 flt hours for 5,100 flight operations averaging 5 mins in terminal area to equate to .004

The Poisson Distribution formula is used to determine the probability of an occurrence given the rate of occurrence. Since Mishap Rates (Accident Rates in the civilian sector) are given in the same frequency format (# of mishaps/accidents per 100,000 flight hours, we can use the Poisson formula to paint an accurate picture for Burlington International Airport (BIAP) based on the known mishap/accident rates and know flight activity at BIAP. The following assumptions have been made to keep consistency throughout the mathematical analysis:

### Poisson Formula:

$$\frac{e^{-\lambda} \lambda^x}{x!}$$

VTANG Lambda ( $\lambda$ ) Calc (using National Class A Mishap Rate of 3.55):

$$1. \lambda = .0000355 \text{ mishaps/flt hr} * 425 \text{ hrs} = .015$$

GA  $\lambda$  Calc (using National Class A Mishap Rate of 6.71):

$$2. \lambda = .0000671 \text{ mishaps/flt hr} * 4505 \text{ hrs} = .302$$

Comm Airline  $\lambda$  Calc (using National Class A Mishap Rate of 0.895):

$$3. \lambda = .00000895 \text{ mishaps/flt hr} * 3879 \text{ hrs} = .035$$

VTANG  $\lambda$  Calc (using 158 FW Class A Mishap Rate of .926):

$$4. \lambda = .00000926 \text{ mishaps/flt hr} * 425 \text{ hrs} = .004$$

### Supporting Data:

10 yr avg for flight operations at BIAP:

1. VTANG F-16s = 5,100 flight operations or ~5% of total activity at BIAP
2. GA = 54,056 flight operations or ~48% of total flight activity at BIAP
3. Comm Aviation = 46,548 flt ops or ~42% of total flight activity at BIAP

Using a very conservative assumption that each flight operation (T/O & Arrv) spends ~ 5 min in terminal area (20 NM radius of BIAP), you can compute the # of hrs for each respective type of aircraft (i.e. F-16s, GA & Comm Air)

### Calculations for time spent in the BIAP terminal area:

1. VTANG F-16s = 5100 \* 5 min / 60 min/hr = 425 hours
2. General Aviation = 54,056 \* 5 min / 60 min/hr = 4505 hours
3. Commercial Airlines: 46,548 \* 5 min / 60 mn/hr = 3879 hours

### Commercial Airlines Accident Rate Calculation:

1. Part 121 = 0.2 accidents / 100,000 flight hours
2. Part 135 = 1.59 accidents / 100,000 flight hours

BIAP has both Part 121 and Part 135 flying into and out of the airport  
Avg Commercial Airlines Accident Rate =  $1.59 + .2 / 2 = .895$



JULY 19, 2012

# Part 150 65 DNL Area Impacts on Home Values

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Analysis on Values of Single-Family Homes and  
Condominiums within 65 DNL Areas:  
South Burlington and Winooski

Report Prepared by GBIC – The Greater Burlington Industrial Corporation  
[www.gbicvt.org](http://www.gbicvt.org)

Frank Cioffi, President  
Curt Carter, Vice President  
Seth Bowden, Director of Business Development

## Single-Family Home and Condominium value within Part 150 65 DNL Line

### **Overview:**

This report seeks to analyze and address concerns regarding the effect and potential impacts of the 65 DNL noise on home values and equity. The analysis follows up on the information presented in the Draft Environmental Impact Statement (EIS) that is prepared by an independent third party and is being used by the United States Air Force to determine bedding locations for the F 35 fighter jets. In the case of Vermont, the bedding location under consideration is at the Vermont Air National Guard base at the Burlington International Airport, where the guard has been located since 1946.

During the EIS process, concerns about the impact of the planes on real estate values arose from property owners and municipal leaders. This report analyzes real estate sales over a ten-year period in the 65 DNL areas in South Burlington and Winooski and compares sales/values with areas outside the 65 DNL areas in Chittenden County.

Data on single-family homes and condominium sales and values, over a ten-year period, within the current 65 DNL contour lines<sup>1</sup> were analyzed against single-family and condominium sales outside of the contour lines, and again against the County as a whole.

In this report we also have included information about FHA mortgage guarantees in the 65 DNL areas as this was a concern registered during the draft EIS process.

The research and statistical analysis in this report has been conducted by GBIC - The Greater Burlington Industrial Corporation. GBIC is the not for profit economic development corporation serving Chittenden County since 1954. The mission of GBIC is: to attract, retain, and expand environmentally sensitive high-paying jobs in the Champlain Valley.

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<sup>1</sup> Appendix (page 5): Existing Noise Contour Map

#### **Executive Summary of Analysis Findings:**

- ❖ The analysis shows that home values within the 65 DNL area have followed and reflected the overall trend of the County and of the real estate markets outside of the 65 DNL area.
- ❖ Home values over the past 10 years have not been adversely impacted. Real estate values in the 65 DNL have maintained value correspondent with overall value in Chittenden County.
- ❖ Home values over the past decade within the 65 DNL were not impacted by extrinsic economic factors (recession) at a greater rate than those homes outside of the area. In the case of South Burlington, the values within the 65 DNL line appear to be mildly counter-recessionary (continued to increase in sale value while the County market stagnated). Recent condominium sales in Winooski within the 65 DNL also proved to sell at higher values than seen elsewhere in the City and in the County.
- ❖ Continued development and redevelopment of areas within the 65 DNL area is a direct function of market opportunities, however, the recent redevelopment of Winooski's downtown, along with the development and sales of the condominiums at Winooski Falls, indicates a strong appetite for investment and growth within the currently affected area.
- ❖ The FHA mortgage guarantee program is operational within the 65 DNL area, both historically and with recent construction. In the current market, the most recent example is that the Winooski Falls development was fully FHA approved in 2010. The advising language directly from Housing and Urban Development (HUD) reads: "the availability of federal loans will not be directly affected by the location of the 65 DNL line."
- ❖ The Airport's home buy-back program (currently in effect in portions of South Burlington) is a completely separate process from this basing decision and is run by the FAA, not the military. The program is voluntary and is subject to federal funds being available, as well as the property being located within the Airport's Noise Compatibility Program (which must be approved by the Burlington City Council). The Airport has stated that it has no intention of altering the existing NCP in regards to future home purchases.

### **Real Estate Sales and Value Analysis:**

In general terms, the real estate nearest to the airport is considered some of the most affordable urban housing stock in the county. It should be noted that while discussing noise contour lines that no account has been made for future mitigation strategies; this is intended so that Draft Environmental Impact Statement (DEIS) information is considered uniform among all of the potential basing locations. The VTANG has stated that under the more likely Scenario 1 basing model, total operations will decrease by 2,613.

Also of note when examining the existing and potential noise contour lines is that they represent all airport operations, and do not differentiate military and civilian operations. Therefore, any potential incremental noise increase from F-35 operations will be considered as a part of the overall noise profile. Vermont Air Guard flights currently account for approximately 5% of the total flight volume at the BTV airport.

At present, the DEIS cites two studies relating to real estate values: one study (1985) states that there is a negative impact on housing values, while the other (1996) states that airport “noise has no meaningful effect on residential property values.”<sup>2</sup>

Due to the limited sample set (number of sales)<sup>3</sup> within the 65 DNL line over the time period listed above, it is challenging to assert that home values are either negatively or positively affected by being located within the current 65 DNL line. Our research and analysis of sales show that single family home and condominium values in the area have statistically followed and reflected the overall trend of the County, as one would reasonably assume, and there is a general stagnation in value around the same period due to the economic recession. This stagnation, and minor decline, follows the same trend line of sales/real estate values, with no greater amplitude within the 65 DNL, when compared to home values outside of the noise contour area. Sales of homes and condominiums within the 65 DNL area appeared to maintain values correspondent with the region as a whole.

Of particular note and statistical significance, however, is the sudden spike in condominium values in the area beginning in 2007. This change in the value trend is directly attributable to sales from the Cascades at Winooski Falls development starting. Even when removing outlier data over \$400,000, the significant increase both in value and in number of sales shows a high level of market activity within the 65 DNL zone. Of further note is that this project received full FHA loan approval designation in 2010.<sup>4</sup> FHA loan approval within a 65 DNL is consistent with information found in the DEIS that states “HUD, VA, and FHA loans are ‘conditionally acceptable with special approval’ in noise zones greater than 65 DNL.” This has borne out in practice; where market transactions and zoning remain consistent with residential use these loan programs will continue to be active.

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<sup>2</sup> Draft EIS Volume II; page C-47

<sup>3</sup> Appendix (pages 6 – 13): Sales Price Analysis (multiple)

<sup>4</sup> <http://blog.thecascadesvt.com/cascades-winooski-vt/the-cascades-at-winooski-falls-has-fha-approval/>

Presently, South Burlington has been the community directly impacted by the airport's FAA home buy-back program. This program is both voluntary and subject to available Federal funding; further, it is managed by the City of Burlington in coordination with the Burlington International Airport and the FAA. The model used to determine buy-back potential is a different model than that used by the VTANG or presented in the DEIS and is therefore beyond the scope of this analysis. Projected noise contour lines from the Scenario 1 presented in the DEIS show a decrease in affected area in South Burlington, so projections from BTV that no extension of the buy-back program will occur, *ceteris paribus*, are sound.

While the sample set for South Burlington home sales within the 65 DNL contour, including home sales as a part of the FAA buy-back program, is still too small to make absolute conclusions, median sale values very closely track those of the rest of South Burlington and typically follow the same trend line as the rest of the County and actually appear to be counter recessionary.

It is also noted that in our estimation, the FAA buy-back program appears to have pushed the value of homes in the program to the maximum median value of homes in this area. Homes were sold based upon appraisals by reputable and accomplished Vermont appraisal firms.



### **Federally Guaranteed Home Loans:**

During the DEIS process concerns arose about the FHA mortgage guarantee program in the 65 DNL areas. Following is the official answer from HUD:

The DEIS states that HUD, VA and FHA loans are “conditionally acceptable with special approval” in noise zones greater than 65 DNL.

Questions have been asked through HUD for a clarification of what “conditionally acceptable” means. Historic data, recent construction, and answers provided from our state’s Congressional Delegation indicate that federally guaranteed loans will not and have not been affected by the 65 DNL line. Market conditions and zoning are the primary factors effecting loans.

According to HUD: “the availability of federal loans will not be directly affected by the location of the 65 DNL line.”

### **Statement from HUD:**

The HUD property and appraisal requirements for FHA financing state:

Airport Noise: Properties are not to be rejected solely because of airport influences (noise) if there is evidence of acceptance in the market and if use of the dwellings is expected to continue. Special consideration should be given to determine if there is indication that adverse changes in market attitude are taking place in the area.

### **C2.7 Noise Effects on Property Values**

Property within a noise zone (or Accident Potential Zone) may be affected by the availability of federally guaranteed loans. According to U.S. Department of Housing and Urban Development (HUD), Federal Housing Administration (FHA), and Veterans Administration (VA) guidance, sites are acceptable for program assistance, subsidy, or insurance for housing in noise zones of less than 65 dB DNL, and sites are conditionally acceptable with special approvals and noise attenuation in noise zones greater than 65 dB DNL. HUD’s position is that noise is not the only determining factor for site acceptability, and properties should not be rejected only because of airport influences if there is evidence of acceptability within the market and if use of the dwelling is expected to continue. Similar to the Navy’s and Air Force’s Air Installation Compatible Use Zone Program, HUD, FHA, and VA recommend sound attenuation for housing in the higher noise zones and written disclosures to all prospective buyers or lessees of property within a noise zone (or Accident Potential Zone).

This means the noise contour does not disqualify a property for FHA financing, as long as property is being sold and purchased in those areas.

Information about the impacts on HUD financing can be found online at:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/ref/sfh1-18a](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/ref/sfh1-18a)

The following is from Paragraph 2-2, Chapter 2 of Handbook 4150.2 (which applies to 1 to 4 unit single

family dwellings) which can be found at:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/handbooks/hsgb/4150.2](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsgb/4150.2)

#### G. AIRPORT NOISE AND HAZARDS

(2-2) Sites near an airport may be subjected to the noise and hazards of low-flying aircraft. Appraisers must identify affected properties, review airport contour maps and condition the appraisal accordingly.

Do not reject existing properties only because of airport influences if there is evidence of acceptance within the market and if use of the dwelling is expected to continue.

HUD's position is that because the properties are in use and are expected to be in use into the near future, their marketability should be the strongest indicator of their acceptability. Marketability should account for the following considerations:

- Plans for future expansion of airport facilities
- Prospective increases in the number of planes or flights using the field or specific runways
- The timing and frequency of the volume of flights
- Any other factors that may increase the annoyance of having the airport nearby excessive noise

If changes are likely, the appraiser must anticipate any adverse effect that these changes are likely to have on the marketability of the property. The appraiser should judge each situation on its merits. Compare the effect of aircraft activity on the desirability of a particular site with other sites that are:

- Improved with similar structures
- Considered competitive with those located in the subject neighborhood

#### H. SPECIAL AIRPORT HAZARDS

HUD requires that the buyer of a property located in a Runway Clear Zone/Clear Zone is advised that the property is located in such a zone and of the implications associated with that site. This includes the possibility that the airport operator could acquire the property in the future.

##### 1. New and Proposed Construction

New and proposed construction within Runway Clear Zones (also known as Runway Protection Zones) at civil airports or within Clear Zones at military airfields are ineligible for home mortgage insurance.

Properties located in Accident Potential Zone I at military airfields may be eligible for FHA insurance provided that the property is compatible with Department of Defense guidelines. For more information, see 24 CFR 51.303(b).

If new or proposed construction lies within these zones, mark "YES" in VC-1.

##### 2. Existing Construction

Existing dwellings more than one year old are eligible for FHA mortgage insurance if the prospective purchaser acknowledges awareness that the property is located in a Runway Clear Zone/Clear Zone. The

lender will furnish this disclosure form to the buyer. For a sample of the buyer's acknowledgment certification, see HUD Handbook 4150.1, REV-1, Chapters 4-26 (a) and (b).(2-2)

Note whether the property is in a Clear Zone and condition the appraisal on the buyer's acknowledgment.

**Winooski Falls Development:**

Further, of distinct relevance to this concern is that the Winooski Falls Development located in the 65 DNL line in downtown Winooski is an FHA approved project.<sup>5</sup>

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<sup>5</sup> From the Winooski Falls website: The Cascades has received FHA financing approval. With FHA approval you can now finance with any lender who provides FHA loans. The benefits of the FHA program are smaller down payments, at 3.75%, and lower interest rates. At the moment rates are currently at 4.95%.

### **Summary and Conclusion:**

Our research and analysis of sales conclude that single-family home and condominium values in the 65 DNL areas in South Burlington and Winooski have statistically followed and reflected the overall trend of the County. Real estate values in the 65 DNL have maintained value correspondent with overall value in Chittenden County.

Over the past decade, while the real estate market at times has been adversely impacted by the recession, the value of residential real estate in the 65 DNL areas in Winooski and South Burlington have not been adversely impacted. Properties have maintained value proportionate to overall real estate values in the Chittenden County region.

Single-family homes and condominiums in South Burlington appear to have maintained value approximate to the values in the overall Chittenden County region. In general terms, the real estate nearest to the airport continues to be considered some of the most affordable urban housing stock in the county.

Additionally, the revitalization and redevelopment of the downtown area in Winooski has demonstrated an increase in value for condominium units and occupancy. Value and occupancy in the commercial areas in the downtown have experienced much improvement with respect to value and utility.

Finally, the FHA mortgage guarantee program in the 65 DNL areas appears to be operational. Historic data, recent construction, and answers provided from the federal government, through our state's Congressional delegation indicate that federally guaranteed loans will not, and have not, been affected by the 65 DNL line. Market conditions and zoning are the primary factors affecting loans.

According to HUD: "the availability of federal loans will not be directly affected by the location of the 65 DNL line." This means the noise contour does not disqualify a property for FHA financing, as long as property is being sold and purchased in those areas.<sup>6</sup>

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<sup>6</sup> The HUD property and appraisal requirements for FHA financing state:

"Airport Noise: Properties are not to be rejected solely because of airport influences (noise) if there is evidence of acceptance in the market and if use of the dwellings is expected to continue. Special consideration should be given to determine if there is indication that adverse changes in market attitude are taking place in the area." Information about the impacts on HUD financing can be found online at: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/ref/sfh1-18a](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/ref/sfh1-18a)



### Research and Report Methodology:

The primary data utilized for this study is a database of property sales extracted from the Vermont Real Estate Information Network (VREIN) and Northern New England Real Estate Network (NNEREN®) Multiple Listing Services (MLS). GBIC contracted Chad Jacobson (RE/MAX Professionals). Mr. Jacobson is a member of the NNEREN® board of directors and is the Vice President (2012) and President Elect (2013) of that organization.

Mr. Jacobson conducted a statistical analysis of single-family homes and condominium sales and values, over a ten-year period, within the current 65 DNL contour lines.<sup>7</sup> These sales were analyzed against single-family and condominium sales outside of the contour lines, and again against the County as a whole using closed transaction information from the VREIN MLS, which was acquired by NNEREN® in 2010. NNEREN® now serves REALTORS® in all of Vermont and New Hampshire.

In September 2005 Mr. Jacobson created a database seeded with transactions from January 2002 through September 2005. Since that date the database has been updated monthly with the prior month's closed transactions. GBIC believes that Mr. Jacobson's database provides the one of the most comprehensive statistical compilation of information available to analyze residential market, single family homes and condominium statistics in the Northwestern Vermont region.

The use of the term "condominium" does not imply a consistent legal ownership model across this subset of properties. It is rather the convention used in the MLS to differentiate those homes from single family homes where the ownership of and responsibility to maintain both the structure and the land generally rests exclusively with the property owner.

Other information made available to Mr. Jacobson included:

- A list of street names and numbers of properties designated as "inside the 2006 Part 150 65 DNL line."
- A list of properties purchased by the Burlington International Airport.
- A list of property sales by the developer of "The Cascades at Winooski Falls."

The progression of the analysis for both South Burlington and Winooski was as follows:

Create a baseline of the average and median sales prices of all closed single family and condominium MLS transactions in all of Chittenden County.

1. Extract from 1 the data for the specific town only.
  - a. Extract from 1.a any sales of properties designated as "inside the line."
  - b. Extract from 1.a any sales of properties designated as "outside the line."
  - c. Augment the county data in 1 with any relevant airport and/or developer data.
2. Repeat steps 1.a, 1.b and 1.c against the new baseline.
  - a. Extract from 2 just those homes designated as condominiums.
3. Repeat steps 1.a, 1.b and 1.c against the new baseline.
  - a. Extract from 2 just those homes designated as single family
4. Repeat steps 1.a, 1.b and 1.c against the new baseline.

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<sup>7</sup> Appendix (page 5): Noise Contour Map



Further information on homes that were acquired as a part of the FAA's 2008 home buyback program was provided by the Burlington International Airport. Upon review of the list of properties it was decided to exclude any properties deemed to be vacant lots based upon the price paid. The purchases of "3082-3090 Williston Road" and "48 acres-Poor Farm Road" were similarly excluded due to their apparent commercial designation.

Further information regarding sales in the Winooski Falls Development (downtown Winooski) was obtained from the Winooski Falls Development and included for analysis. Information specifically relating to condominium sales in the Winooski Falls project was limited such that sales over \$400,000 were excluded from data as it was agreed that these sales would unduly skew results.

Analysis and evaluation of the research and data was conducted by economic development and real estate professionals from GBIC, Frank Cioffi, Curt Carter and Seth Bowden. Messrs Cioffi, Carter, and Bowden have collective, vast, and accomplished economic development and real estate experience in Northwestern Vermont and the state of Vermont.

#### **About GBIC - The Greater Burlington Industrial Corporation:**

GBIC is the not for profit economic development corporation serving Chittenden County since 1954. The mission of GBIC is: to attract, retain, and expand environmentally sensitive high-paying jobs in the Champlain Valley.

GBIC was incorporated by 50 municipal officials, civic leaders from the Greater Burlington area and by an Act of the Vermont Legislature in 1954.

GBIC is affiliated with the State of Vermont as the certified regional economic development corporation for Chittenden County. Chittenden County is Vermont's largest county and is home to the most diversified economic and demographic region in the state. GBIC is a key partner in Vermont's overall economic development and is continually working with the Vermont Department of Economic Development, state officials and others to help sustain a positive business climate in such areas as labor and housing markets; business financing, education, export assistance, transportation, growth planning and development issues; and environmental concerns. GBIC has developed seven industrial parks and operates a Foreign-Trade Zone in the Chittenden County area. Since 1954 the Board of Directors of GBIC have come from the Northwestern Vermont community.

The primary goal of GBIC is the creation and retention of value-added jobs that will strengthen the region's economy and improve the quality of life for area residents. The primary economic market focus of GBIC is the region's value-added industry sectors and the region's economy-driving businesses that are dollar importing, goods and services exporting. GBIC is dedicated to the creation and retention of "good jobs in a clean environment" for working Vermonters and their families.

[www.gbicvt.org](http://www.gbicvt.org)

#### **About the Authors of this report:**

Frank Cioffi is President of GBIC. Mr. Cioffi served as Commissioner of Economic Development under Governor Howard Dean, M.D. He has been a licensed real estate broker for over 30 years and he is past President of the Vermont Association of REALTORS® and a past member of the Board of Directors of the National Association of REALTORS®. He has served as a member of the Council of Economic Advisors for Governors Dean, Douglas, and Shumlin. Mr. Cioffi has been President of GBIC since 1998.

[frank@vermont.org](mailto:frank@vermont.org)

Curt Carter is Executive Vice President of GBIC. Mr. Carter has over 30 years of economic development, environmental permitting and real estate expertise in the state of Vermont. He served as the state of Vermont's permitting ombudsperson for several statewide economic development projects. Mr. Carter retired from the Vermont Agency of Commerce and Community Development and joined GBIC in 2009.

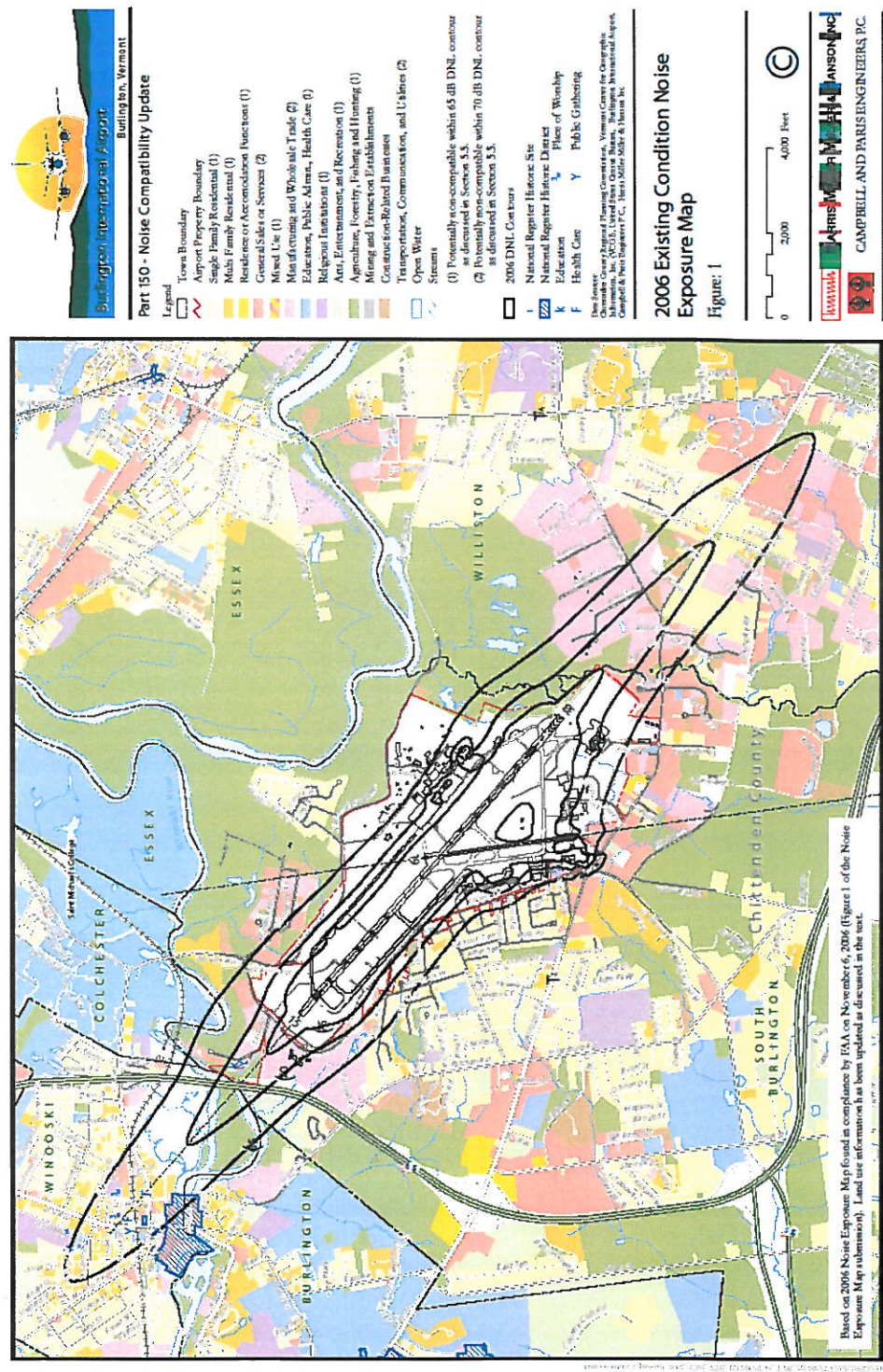
[curt@vermont.org](mailto:curt@vermont.org)

Seth Bowden is Director of Business Development for GBIC. Mr. Bowden is an accomplished economic researcher and writer. He has led research and business development efforts for GBIC for 5 years.

[seth@vermont.org](mailto:seth@vermont.org)

## Appendix

Noise Contour Map: Existing Conditions





# Winooski Single Family & Condominium Sales Price Analysis - MLS And Developer Data

Chittenden County				
Units Sold	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price	Median Sale Price Pct. Change
2002	1471 \$205,996	NA	\$175,500	NA
2003	1570 \$223,826	8.7%	\$190,000	8.3%
2004	1619 \$249,310	11.3%	\$216,000	13.7%
2005	1541 \$279,769	12.1%	\$239,750	11.0%
2006	1560 \$289,307	3.4%	\$241,000	0.5%
2007	1609 \$292,026	0.9%	\$247,500	2.7%
2008	1284 \$280,550	-3.9%	\$238,250	-3.7%
2009	1409 \$272,826	-2.8%	\$235,000	-1.4%
2010	1294 \$286,690	5.1%	\$248,000	5.5%
2011	1306 \$282,902	-1.3%	\$249,000	0.4%

Winooski All				
Units Sold	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price	Median Sale Price Pct. Change
2002	36 \$141,367	NA	\$137,500	NA
2003	40 \$152,324	7.6%	\$154,250	12.2%
2004	44 \$178,486	17.2%	\$169,430	9.9%
2005	44 \$186,166	4.3%	\$176,430	4.1%
2006	33 \$201,736	8.4%	\$197,600	12.0%
2007	39 \$189,900	-5.9%	\$186,000	-5.9%
2008	50 \$196,190	3.3%	\$199,930	7.5%
2009	68 \$229,676	17.1%	\$212,730	6.4%
2010	50 \$206,974	-9.9%	\$194,825	-7.5%
2011	46 \$199,733	-3.5%	\$185,000	-6.0%

Winooski Subset				
Units Sold	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price	Median Sale Price Pct. Change
2002	3 \$128,667	NA	\$122,000	NA
2003	2 \$84,550	-34.3%	\$84,550	-30.7%
2004	5 \$192,680	127.9%	\$179,000	111.7%
2005	2 \$165,950	-13.9%	\$165,950	-7.3%
2006	3 \$176,500	6.4%	\$182,000	9.7%
2007	3 \$168,967	-4.3%	\$168,000	-7.7%
2008	3 \$160,467	-5.0%	\$156,300	-6.6%
2009	25 \$294,600	83.6%	\$305,300	95.8%
2010	14 \$245,697	-16.6%	\$246,250	-19.4%
2011	14 \$231,821	-5.6%	\$235,200	-4.4%

Winooski Other				
Units Sold	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price	Median Sale Price Pct. Change
2002	33 \$142,740	9.2%	\$138,000	NA
2003	38 \$155,891	9.2%	\$154,750	12.1%
2004	39 \$176,666	13.3%	\$163,300	5.7%
2005	42 \$187,129	5.9%	\$180,930	10.7%
2006	30 \$204,281	9.2%	\$201,500	11.4%
2007	36 \$191,644	-6.2%	\$190,250	-3.6%
2008	47 \$198,470	3.6%	\$203,000	7.8%
2009	43 \$191,930	-3.3%	\$200,000	-2.4%
2010	36 \$191,916	0.0%	\$187,561	-6.2%
2011	32 \$185,694	-3.2%	\$179,900	-4.1%

## Definitions

Chittenden County: All Single Family and Condominium property sales in Chittenden County recorded in the NNEREN MLS Database and "Cascades" sales data from developer.

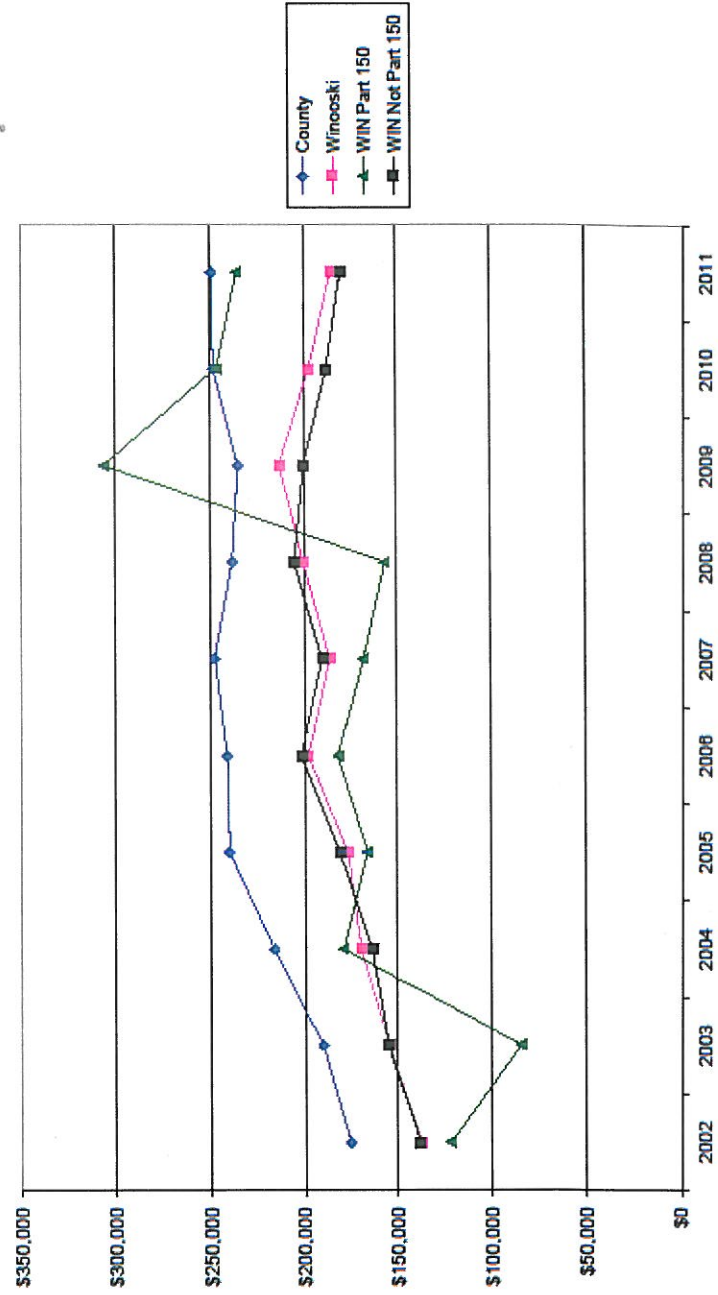
Winooski All: All Single Family and Condominium property sales in the town of Winooski recorded in the NNEREN MLS Database and "Cascades" sales data from developer.

Winooski Subset: Those Winooski Single Family and Condominium properties included in "Winooski All" designated as inside the 2006 Part 150 65 DNL Line.

Winooski Other: Those Winooski Single Family and Condominium properties included in "Winooski All" NOT designated as inside the 2006 Part 150 65 DNL Line.



Median Sale Prices  
Chittenden County Single Family And Condominium Residences  
MLS/Developer Data



# Winooski Condominium Sales Price Analysis - MLS And Developer Data

Chittenden County				
Units Sold	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price	Median Sale Price Pct. Change
2002	470 \$158,151	NA	\$139,900	NA
2003	521 \$162,839	3.0%	\$139,900	0.0%
2004	488 \$185,709	14.0%	\$163,000	16.5%
2005	605 \$209,348	12.7%	\$183,000	13.5%
2006	382 \$200,809	3.3%	\$186,000	3.8%
2007	612 \$232,071	5.1%	\$205,125	4.7%
2008	516 \$224,429	-3.3%	\$199,450	-2.8%
2009	336 \$218,771	-2.5%	\$191,250	-4.1%
2010	438 \$209,467	-4.9%	\$200,000	-4.6%
2011	442 \$222,748	-2.9%	\$193,250	-3.4%

Winooski All				
Units Sold	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price	Median Sale Price Pct. Change
2002	3 \$121,333	NA	\$122,000	NA
2003	8 \$121,256	-0.1%	\$132,000	8.4%
2004	2 \$152,000	25.4%	\$152,000	15.0%
2005	10 \$181,270	19.5%	\$172,950	13.8%
2006	9 \$177,893	-2.0%	\$182,000	5.2%
2007	10 \$168,180	-5.5%	\$169,225	-7.0%
2008	17 \$183,633	9.2%	\$175,000	3.4%
2009	32 \$261,373	42.4%	\$280,000	60.0%
2010	23 \$202,639	-22.3%	\$181,000	-35.4%
2011	19 \$211,600	4.4%	\$185,000	2.2%

Winooski Subset				
Units Sold	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price	Median Sale Price Pct. Change
2002	1 \$122,000	NA	\$122,000	NA
2003	1 \$39,900	-50.9%	\$39,900	-50.9%
2004	1 \$163,000	173.3%	\$163,000	173.3%
2005	1 \$169,900	3.0%	\$169,900	3.0%
2006	2 \$171,000	0.6%	\$171,000	0.6%
2007	1 \$138,900	-7.1%	\$138,900	-7.1%
2008	2 \$133,200	-3.6%	\$133,200	-3.6%
2009	24 \$296,938	93.8%	\$310,250	102.3%
2010	13 \$243,019	-18.9%	\$243,000	-21.7%
2011	13 \$231,654	-4.7%	\$237,000	-2.3%

Winooski Other				
Units Sold	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price	Median Sale Price Pct. Change
2002	2 \$121,000	NA	\$121,000	NA
2003	7 \$130,021	7.3%	\$134,900	11.3%
2004	1 \$139,000	6.9%	\$139,000	3.0%
2005	9 \$182,867	31.6%	\$175,000	25.9%
2006	7 \$179,663	-1.6%	\$183,000	3.7%
2007	9 \$169,211	-5.9%	\$169,950	-8.1%
2008	15 \$187,693	10.9%	\$199,000	17.1%
2009	8 \$153,423	-17.2%	\$145,000	-27.1%
2010	10 \$150,190	-3.4%	\$145,000	0.0%
2011	6 \$168,150	12.0%	\$165,000	13.8%

## Definitions:

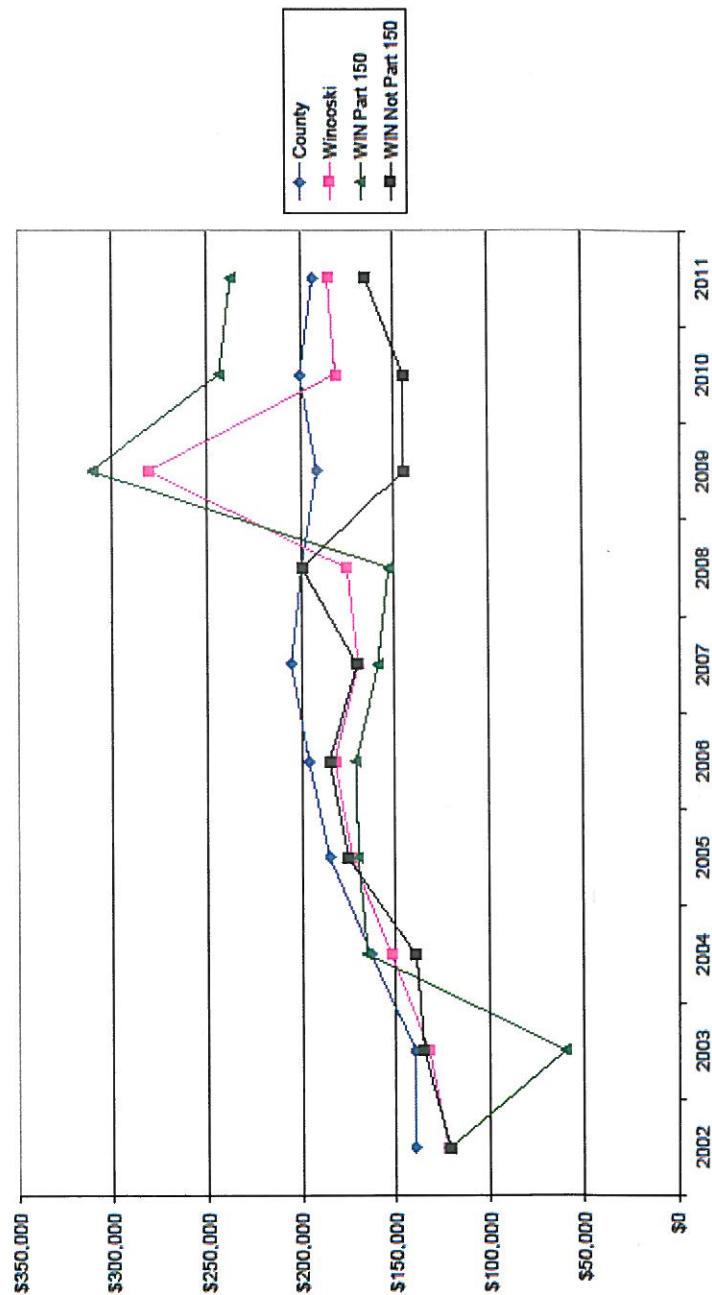
Chittenden County: All Condominium property sales in Chittenden County recorded in the NNEKEN MLS Database and "Cascades" sales data from developer.

Winooski All: All Condominium property sales in the town of Winooski recorded in the NNEKEN MLS Database and "Cascades" sales data from developer.

Winooski Subset: Those Winooski Condominium properties included in "Winooski All" designated as inside the 2006 Part 150 65 DNL Line.

Winooski Other: Those Winooski Condominium properties included in "Winooski All" NOT designated as inside the 2006 Part 150 65 DNL Line.

Median Sale Prices  
Chittenden County Condominium Residences  
MLS/Developer Data



# Winooski Single Family Sales Price Analysis - MLS And Developer Data

Chittenden County				
	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price Pct. Change	Median Sale Price Pct. Change
Units Sold	1001	1049	1131	936
2002	\$228,460	NA	\$193,000	NA
2003	\$254,116	11.3%	\$220,000	14.0%
2004	\$277,039	9.0%	\$237,000	7.7%
2005	\$323,288	17.4%	\$273,000	16.0%
2006	\$331,198	1.8%	\$277,338	0.9%
2007	\$328,829	-0.7%	\$277,200	-0.1%
2008	\$318,257	-3.2%	\$264,950	-4.4%
2009	\$306,015	-3.8%	\$257,000	-3.0%
2010	\$315,970	3.3%	\$269,450	4.8%
2011	\$313,674	-0.7%	\$271,750	0.9%

Winooski All				
	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price Pct. Change	Median Sale Price Pct. Change
Units Sold	33	32	31	31
2002	\$143,407	NA	\$141,000	NA
2003	\$160,091	11.6%	\$158,050	12.1%
2004	\$179,747	12.3%	\$174,450	10.4%
2005	\$187,318	4.3%	\$180,950	3.7%
2006	\$210,704	12.4%	\$202,500	20.2%
2007	\$197,990	-6.3%	\$202,100	-7.1%
2008	\$207,637	2.7%	\$203,000	1.4%
2009	\$201,321	-0.7%	\$208,500	1.7%
2010	\$210,631	4.6%	\$214,900	3.1%
2011	\$191,381	-9.1%	\$182,500	-15.1%

Winooski Subset				
	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price Pct. Change	Median Sale Price Pct. Change
Units Sold	2	1	1	1
2002	\$137,000	NA	\$137,000	NA
2003	\$108,200	-17.3%	\$108,200	-17.3%
2004	\$199,600	82.8%	\$197,750	81.1%
2005	\$162,000	-18.8%	\$162,000	-18.1%
2006	\$187,500	15.7%	\$187,500	15.7%
2007	\$174,000	-7.2%	\$174,000	-7.2%
2008	\$175,000	0.6%	\$175,000	0.6%
2009	\$238,000	36.0%	\$238,000	36.0%
2010	\$280,500	17.9%	\$280,500	17.9%
2011	\$234,000	-16.6%	\$234,000	-16.6%

Winooski Other				
	Average Sale Price	Average Sale Price Pct. Change	Median Sale Price Pct. Change	Median Sale Price Pct. Change
Units Sold	31	31	31	31
2002	\$144,142	NA	\$141,000	NA
2003	\$161,733	12.2%	\$158,500	12.4%
2004	\$177,637	9.8%	\$168,700	6.4%
2005	\$188,291	6.0%	\$184,000	9.1%
2006	\$211,713	12.4%	\$200,000	19.6%
2007	\$199,122	-5.9%	\$205,000	-6.8%
2008	\$203,522	2.2%	\$207,000	1.0%
2009	\$200,274	-1.6%	\$207,000	0.0%
2010	\$207,964	3.8%	\$212,450	2.6%
2011	\$189,742	-8.8%	\$182,250	-14.2%

## Definitions:

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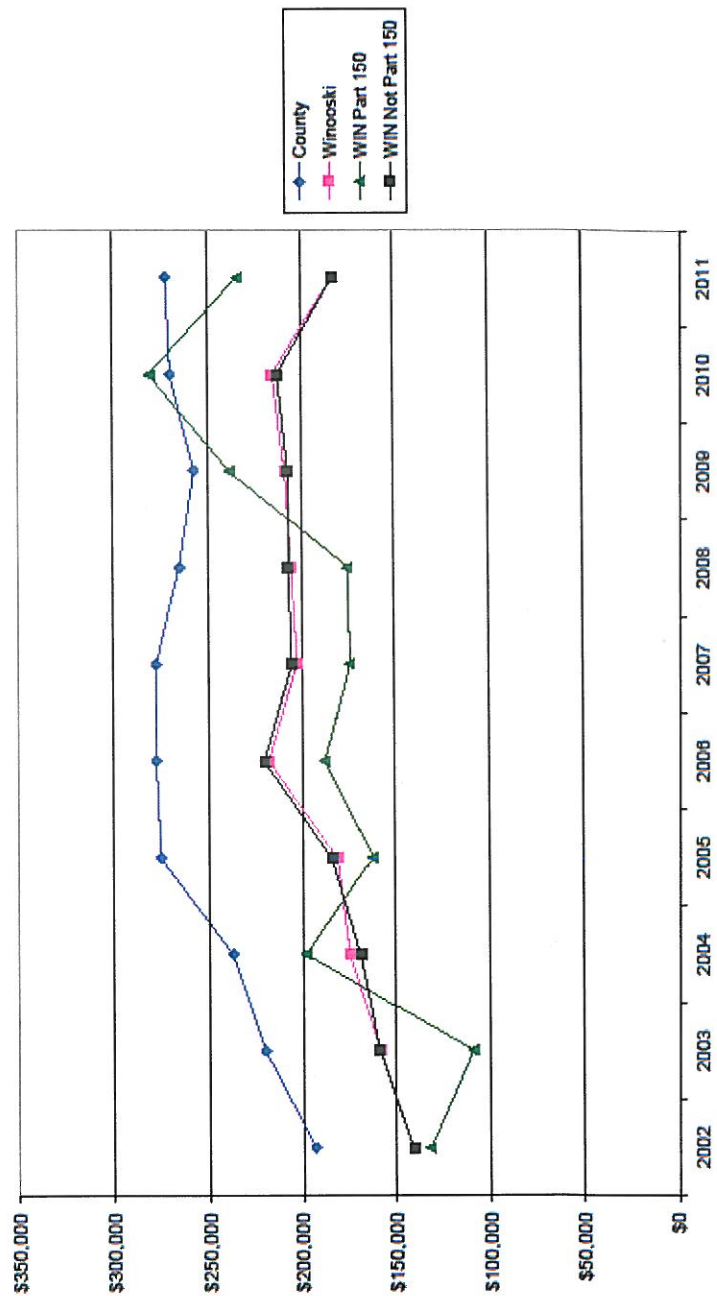
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Winooski Other: Those Winooski Single Family properties included in "Winooski All" NOT designated as inside the 2006 Part 150 63 DNL Line.



Median Sale Prices  
Chittenden County Single Family Residences  
MLS/Developer Data





# South Burlington Single Family & Condominium Sales Price Analysis - MLS/Developer/Airport Data

Chittenden County					
	Average Sale Price	Average Sale Price Change	Median Sale Price	Median Sale Price Pct Change	
Units Sold	1474	\$203,893	NA	\$175,000	NA
2002	1474	\$203,893	NA	\$175,000	NA
2003	1575	\$223,319	8.6%	\$190,000	8.6%
2004	1635	\$249,330	11.7%	\$215,000	13.2%
2005	1555	\$279,338	12.0%	\$239,000	11.2%
2006	1565	\$289,060	3.6%	\$241,000	0.8%
2007	1614	\$291,840	1.0%	\$246,500	2.3%
2008	1293	\$260,342	-3.9%	\$238,500	-3.3%
2009	1434	\$271,505	-2.0%	\$235,000	-1.3%
2010	1313	\$268,137	5.0%	\$248,000	5.5%
2011	1323	\$282,426	-1.3%	\$248,500	0.2%

South Burlington All					
	Average Sale Price	Average Sale Price Change	Median Sale Price	Median Sale Price Pct Change	MED Change Relative to County
Units Sold	224	\$197,346	NA	\$159,000	NA
2002	224	\$197,346	NA	\$159,000	NA
2003	281	\$219,743	11.3%	\$175,000	9.7%
2004	277	\$239,579	9.0%	\$187,000	14.0%
2005	391	\$233,346	-2.6%	\$187,000	-6.2%
2006	304	\$263,553	12.1%	\$216,000	20.9%
2007	338	\$264,461	8.8%	\$218,500	1.4%
2008	289	\$252,371	-4.7%	\$210,000	-6.6%
2009	273	\$273,461	8.3%	\$225,000	8.3%
2010	289	\$283,412	4.4%	\$245,000	8.9%
2011	233	\$276,746	-3.0%	\$240,000	-2.0%

South Burlington Subset					
	Average Sale Price	Average Sale Price Change	Median Sale Price	Median Sale Price Pct Change	MED Change Relative to County
Units Sold	3	\$155,667	NA	\$132,000	NA
2002	3	\$155,667	NA	\$132,000	NA
2003	10	\$168,490	8.2%	\$163,500	7.6%
2004	6	\$188,083	17.6%	\$172,500	20.6%
2005	10	\$209,600	5.8%	\$200,000	1.4%
2006	7	\$284,119	-4.6%	\$185,000	-10.0%
2007	6	\$228,000	11.7%	\$225,000	23.0%
2008	12	\$241,242	5.8%	\$232,500	3.3%
2009	15	\$243,333	0.9%	\$250,000	7.5%
2010	18	\$245,667	1.4%	\$245,000	-2.0%
2011	15	\$241,000	-1.8%	\$230,000	-8.1%

South Burlington Other					
	Average Sale Price	Average Sale Price Change	Median Sale Price	Median Sale Price Pct Change	MED Change Relative to County
Units Sold	235	\$197,865	NA	\$160,000	NA
2002	235	\$197,865	NA	\$160,000	NA
2003	271	\$221,636	12.0%	\$176,500	10.3%
2004	271	\$240,497	8.3%	\$201,000	13.9%
2005	381	\$233,969	-2.7%	\$186,000	-7.0%
2006	297	\$262,507	12.4%	\$217,500	21.7%
2007	337	\$263,481	8.6%	\$240,000	5.3%
2008	277	\$284,135	-0.8%	\$240,000	0.0%
2009	266	\$273,237	-3.1%	\$225,000	-8.3%
2010	271	\$288,032	4.6%	\$245,000	8.9%
2011	238	\$279,022	-3.1%	\$243,100	-0.8%

## Definitions:

Chittenden County: All Single Family and Condominium property sales in Chittenden County recorded in the NNEREN MLS Database, "Cancelled" sales data from developer and land acquisition purchases by Burlington Airport.

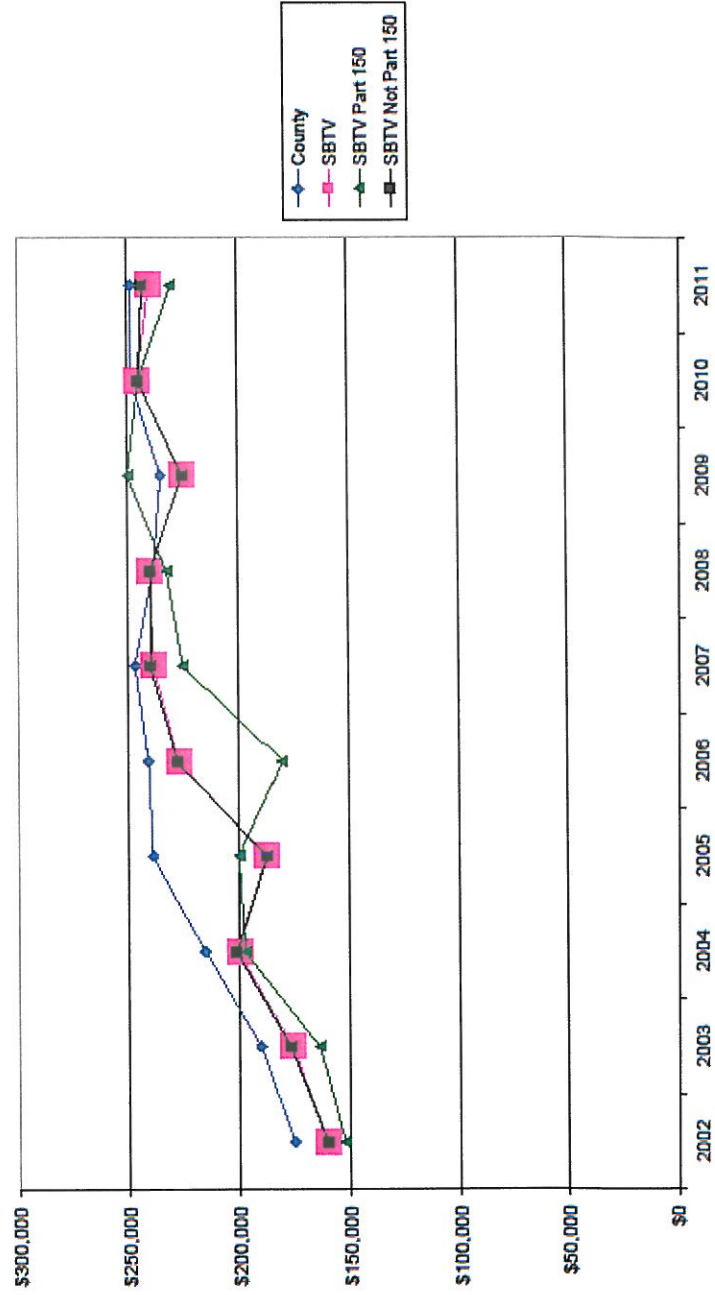
South Burlington All: All Single Family and Condominium property sales in the town of South Burlington recorded in the NNEREN MLS Database and land acquisition purchases by Burlington Airport.

South Burlington Subset:

These South Burlington Single Family and Condominium properties included in "South Burlington All" designated as inside the 2006 Part 150 63 DNL Line.  
These South Burlington Single Family and Condominium properties included in "South Burlington All" NOT designated as inside the 2006 Part 150 63 DNL Line.

South Burlington Other:

Median Sale Prices  
Chittenden County Single Family And Condominium Residences  
MLS/Developer/Airport Data



**An Open Letter regarding Property Values  
and the Basing of the F-35 in Burlington, Vermont**

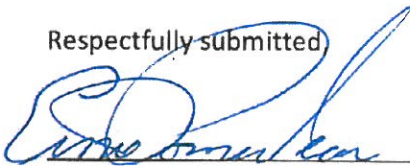
Over the past several months there have been questions and concerns raised regarding the potential impacts to housing values due to the potential basing of the F-35 with the Vermont Air National Guard in Burlington.

As real estate professionals in Chittenden County, we have looked at the housing values issue both individually, based on our own market knowledge, and collectively by doing careful analysis of real world Vermont market transactions. We have analyzed the GBIC Property Values Study and we concur with its conclusion that home values within the 65 DNL area have followed and reflected the overall trend of the County and of the real estate markets outside of the 65 DNL area.

We have concluded that the basing of the F-35 will not add any significant negative impact to real estate values and find that there is no reliable market data to suggest otherwise. Moreover, in South Burlington, Winooski, and Williston there continues to be considerable market activity for investment and growth within the currently affected areas.

We believe it is important to note that, while F-35 flight operations may represent 6 minutes of minimal inconvenience 4 days a week, the economic value of the investments in the VTANG and the 1,100 associated jobs are vitally important to the economy of our county and our state.

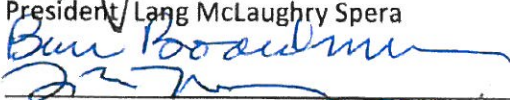
Respectfully submitted,



**Ernie Pomerleau**  
President, Pomerleau Real Estate



**Staige Davis**  
President, Lang McLaughry Spera



**Brian Boardman and Leslee MacKenzie**  
Owners, Hickok & Boardman Realty



**Jack Russell**  
CEO, Century 21 Jack Associates



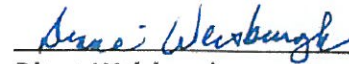
**Doug Nedde**  
Co-Owner, Redstone



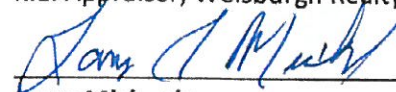
**Mike Simoneau and Geri Reilly**  
Owners, Geri Reilly Real Estate



**Roger Fay, Sr.**  
R.E. Appraiser, Fay Associates



**Diane Weisburgh**  
R.E. Appraiser, Weisburgh Realty Services



**Larry Michaels**  
COO, O'Brien Brothers Agency



# FACT vs. FICTION on the F-35

Prepared by GBIC  
And  
The Friends of the Vermont Air National Guard  
October 14, 2013

\* \* \*

**Opponents of the F-35 are not telling you the truth. Documents have been manipulated to try to scare people and influence public opinion and the opinion of elected officials. The following illustrates the FICTION of allegations made by opponents, countered by the real FACTS.**

**FICTION: Opponents Claim:** F-35 Noise Will Damage Family Health: 1500 kids at risk for cognitive and health impairment.

**FACT:** The statement is false. The EIS actually states: "In summary, there is no scientific basis for a claim that potential health effects exist for aircraft time-average sound levels below 75 dB." See EIS p. C-20. Additionally, Chamberlin School (located in South Burlington) actually sees a 3dB decrease in sound exposure (70 DNL to 67 DNL) if the F-35 were to replace the F-16. See EIS p. BR4-32.

**FICTION: Opponents Claim:** F-35 Basing is Unjust: the homes of 8,600 working class and moderate income people will be "not suitable for residential use."

**FACT:** The statement is false. It is not consistent with the EIS and is being used by those opposed to the F-35 as a scare tactic in an attempt to unduly influence the basing process. Residents of Winooski and South Burlington have lived prosperously within the 65 DNL line for decades both under current F-16 noise contours (1986-present) and previous F-4 noise contours (1982-1986). Interesting to note that the 65 DNL area for the F-4 was twice as large as the area for the F-35.

The Burlington Airport Commission responded to the question of whether residences within the 65 DNL line are not suitable for residential occupancy with the following statement:

The language relating to Compatibility and Incompatibility for different structures is zoning language intended to avoid encroachment of development towards an airport. The Land Use Compatibility and Airports report states that "Designations [of compatibility] do not constitute a federal determination that any use of the land covered by this program is acceptable or unacceptable under federal, state, or local law. The responsibility for determining the acceptable and permissible land uses remains with the local authorities." These designations are intended to encourage development practices in the most mutually advantageous geographic areas. The Land Use Compatibility and Airports report goes on to say that "between 65 and 70 db DNL, only

mobile home parks, outdoor music shells, and amphitheaters are considered outright incompatible.”

Additionally, on page C-12 in Vol II of the EIS it states the following: “There are several points of interest in the noise-annoyance relation. The first is DNL of 65 dB. This is a level most commonly used for noise planning purposes and represents a compromise between community impact and the need for activities like aviation which do cause noise. Areas exposed to DNL above 65 dB are generally not considered suitable for residential use. The second is DNL of 55 dB, which was identified by USEPA as a level ‘... requisite to protect the public health and welfare with an adequate margin of safety,’ (USEPA 1974) which is essentially a level below which adverse impact is not expected. The third is DNL of 75 dB. This is the lowest level at which adverse health effects could be credible (USEPA 1974).”

**FICTION: Opponents Claim:** The F-35 Warplane Will Not Defend Us and Makes the world more violent & dangerous.

**FACT:** The F-35’s primary mission as stated in the EIS on page 1-6 in Vol I is “defense of the U.S. and fulfillment of directives of the President and Secretary of Defense . . . [T]o meet these requirements, the Air Force must develop and operate combat and support aircraft and train personnel needed for the job. The purpose of the proposed action is to efficiently and effectively maintain combat capability and mission readiness as the Air Force faces deployments across a spectrum of conflicts while also providing for homeland defense.”

**FICTION: Opponents Claim:** The F-35 Basing is a Racial Injustice: New Americans and people of color are disproportionately harmed.

**FACT:** The above statement is highly exaggerated and taken out of context. Minority population affected by the F-35 actually decreases by 2% from current F-16 operations and low income population affected by the F-35 increases by 6%. See EIS p. BR4-83. Overall, the minority population within the 65DNL line is within 6% of the state average and the low-income population within the 65DNL is within 5% of the state average.

**FICTION: Opponents Claim:** Not the Choice for Jobs: \$1.5 trillion in tax dollars spent on clean energy, health care, and education would create 9 to 12 million more jobs.

**FACT:** Lockheed Martin is already on contract to produce F-35As for the USAF. The VTANG F-16s (BLK30s) are designated to be retired between the years 2018-2020. There are no replacement aircraft identified for the VTANG other than the potential F-35A in the 2020 timeframe. There is also no defined follow-on mission that would keep the 1100 jobs, \$53M payroll, crash, fire, and rescue services, and inherent capabilities to respond to State disasters (e.g., Quick Reaction Forces, High Water Vehicles, Flood Response, etc).



**FICTION: Opponents Claim:** Liability and Loss of Home Value (average \$33,000 reduction), a hardship for homeowners.

**FACT:** False. GBIC Real Estate Analysis demonstrates:

- Home values within the 65 DNL area have reflected the overall trend in Chittenden County.
- Home values over the past 10 years have not been adversely impacted. Real estate values in the 65 DNL area have maintained value correspondent with overall value in Chittenden County.
- Home values over the past decade within the 65 DNL area were not impacted by extrinsic economic factors (recession) at a greater rate than those homes outside of the area. In the case of South Burlington, the values within the 65 DNL line appear to be mildly counter-recessionary (continued to increase in sale value while the County market stagnated). Recent condominium sales in Winooski within the 65 DNL also proved to sell at higher values than seen elsewhere in the City of Winooski and in the County.
- Continued development and redevelopment of areas within the 65 DNL area is a direct function of market opportunities; however, the recent redevelopment of Winooski's downtown, along with the development and sales of the condominiums at Winooski Falls, indicates a strong appetite for investment and growth within the currently affected area.

**FICTION: Opponents Claim:** City of Burlington potentially liable for nearly \$100 million.

**FACT:** The opponents have not identified any legal authority to suggest that the City would be subject to new liability by the bed down of the F-35A when compared to the liability already assumed by the City as proprietor of the Airport over the last several decades. The opponents also have no legal support for their claim that a landlord can be held liable for damage caused by a tenant off-premises. Just as there is no legal authority holding a residential landlord liable if a tenant drives away from the rented premises and is involved in an off-premises vehicular collision, the opponents have provided no caselaw suggesting that the municipal owner of an airport can be held liable for a plane crash beyond the perimeter of the airport due solely to its status as the proprietor of the airport. See Downs Rachlin Martin (law firm) memo to Burlington City Council of 9-19-13.

If there is new liability, it would be the loss at the Airport if the Vermont Air National Guard's fire and rescue services terminate because the Vermont Air National Guard loses its flying mission. This alone would cost the City of Burlington more than \$12 million in the first year to replace and at least \$2.8 million per year thereafter.

**FICTION: Opponents Claim:** Noise Mitigation is a Lie: "Land acquisition and relocation is the only alternative that would eliminate the residential incompatibility" – Federal Aviation Administration.

**FACT:** Noise Mitigation is not a lie – the quote being used above originated before the EIS was

written and once again is being taken out of context. Under the paragraph titled "Measures to Reduce the Potential Environmental Impacts" on page 2-50 in Vol I of the Final EIS, it specifically states: "Once the F-35A is operating at the selected base(s), the pilots will have either consistently flown the operational profiles defined in this EIS or modified them to accommodate the unique qualities of the F-35A. At that time, the Air Force proposes to acquire actual F-35A acoustical data to validate the proposed impacts in an appropriate noise study under AICUZ [Air Installation Compatible Use Zone]. Furthermore, the Air Force commits to working with the affected communities per the AICUZ guidelines."

The VTANG has already identified multiple effective noise mitigation procedures for implementation with F-35 operations (preferred runway operations, reduced power climbout procedures, modifying departure and recovery groundtracks, raising pattern altitudes, etc.) that could be utilized in the local area to reduce the effects of F-35 noise on the surrounding community. The VTANG has consistently demonstrated the ability to work with the community on noise mitigation efforts in the past (most recently, with the Winooski High School and Mayor, VTANG modified their inside downwind groundtrack to reduce noise impacts during school hours). VTANG leaders have stated that there is absolutely no reason this would not continue in the future with the basing of the F-35A here in Burlington.

**FICTION: Opponents Claim:** Climate Change: F-35 protects the status quo: We need sustainable development policies not a bigger military economy.

**FACT:** The F-35 would not "introduce emissions that would noticeably affect air quality." In fact, 6 of the 7 measured pollutants would decrease by 3130 metric tons per year if the F-35 were to replace the F-16. See EIS p. BR4-46.

**FICTION: Opponents Claim:** According to the Air Force, in the first years of operation, the F-35 is 236 times more likely to crash than the F-16; the F-16 is 180 times more likely to crash than commercial jets. 2000 families live in the designated crash zone in Burlington, Winooski, Colchester, and Williston.

**FACT:** Completely false. The Vermont Air National Guard safety record is three and a half times better than the F-16 lifetime average and it has had no significant incidents at the airport.

Additionally, the EIS clearly indicates that the Runway Protection Zone (RPZ) is what is mandated for a Joint Use Field such as Burlington International Airport. It is smaller than the area that is depicted in the anti-F-35 flyer and does not extend into Winooski. According to the EIS "The City of Burlington, Vermont utilizes the FAA's airport land-use compatibility guidelines, and as such, the RPZs have allowed development to be compatible with airport operations." The Burlington International Airport and VTANG are in complete compliance with RPZ's and all FAA safety requirements. See EIS p. BR4-49.

**The claims of the opponents are an affront to the integrity and value of the Vermont Air National Guard. VTANG has been a part of the fabric of our Vermont landscape for 67 years and has earned the respect of most Vermonters.**